Daily Report

Latin America

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Colombia

Santa Fe de Bogota TV reports Defense Minister Rafael Pardo Rueda has said the overflights by U.S. planes "will continue as long as necessary." He admitted "Colombia does not have experts qualified to handle the photograpic equipment used in these planes" and stressed that Colombia is receiving the information gathered.

Brazil

According to Madrid EFE, the Congressional Investigating Committee, which is looking into the links between businessman Paulo Cesar Farias and President Fernando Collor, has requested a 10-day extension to complete its work. The reason for the extension, according to EFE, is "the many charges of alleged corruption" against the president. EFE also reports that in a meeting of President Collor and his economic and political advisors, Minister Jorge Bornhausen told Collor that he should "prepare himself for an impeachment process." Bornhausen and Economy Minister Marcilio Marques Moreira advised using public works projects and budget allocations "to frustrate the impeachment process."

Nicaragua

Managua Radio reports National Assembly President Alfredo Cesar has "suggested that the government convoke a plebiscite, in view of the difficult socioeconomic situation." His statements "caused surprise among political and diplomatic circles, because a plebiscite would make illegal the last elections and the current democratic government." Presidential spokesman Danilo Lacayo said "there is no legal precedent for a plebiscite in Nicaragua." "I believe it is uncalled for simply because Nicaraguans have supported and still support Violeta Chamorro," he said.

Guatemala

SIGLO VEINTIUNO reports President Jorge Serrano stated, in reference to the meeting between the Guatemalan National Revolutionary Unity and the government in Mexico, that "the government has its pens ready to sign the peace agreement the way it is, despite the fact that it includes some points we do not agree with." He adds this is "a clear and categorical indication of the government's political disposition to attain peace."

El Salvador

ACAN reports the Legislative Assembly of El Salvador has "approved temporary provisions to facilitate the registration of the guerrilla movement (FMLN) [Farabundo Marti National Liberation Front] as a political party within 100 days." Although, the FMLN "will have to comply with the requirements and procedures established in the Electoral Code." It must present "at least 3,000 signatures of members as well as the statutes and principles of the new party." San Salvador TV reports FMLN member Joaquin Villalobos predicted there would be "many problems" in the process of making the party legal.

Mexico

AFP reports elections in the states of Aguascalientes, Durango, Oaxaca, Veracruz, Zacatecas, and Baja California "began normally on 2 August." However, NOTIMEX reports there were "minor incidents": a Mexico City radio station representative said she was "harassed by PAN militants while conducting a poll on voter preferences," the PRI accused PAN candidate Rodolfo Elizondo of "campaigning during the elections," and the PRD accused the PRI of "violating the electoral law by campaigning eight hours before the booths were opened." The official results will be released on 10 August.

Bolivia

Buenos Aires NOTICIAS ARGENTINAS reports that the Bolivian Government announced "it was temporarily suspending permission for the entry of a new contingent of U.S. military personnel" into Bolivia. Political analysts believe the government decision is to stem a congressional move to censure government officials for allowing the entry of 123 U.S. military personnel in June "without congressional approval."

Cuba

'Quality Repairs' Goal of Refinery Operations

FL3107184592 Havana Radio Rebelde Network in Spanish 1700 GMT 31 Jul 92

[Text] On 30 July it was reported that, to a greater or lesser degree, almost all the sugar refineries are now fully into the so-called "mechanical realignment" period in order to start the next sugar harvest with better refining conditions. GRANMA reported today that what is being done during the present period, despite the well-known limitations, is aimed at reducing or eliminating the causes which resulted in lost time during the last harvests in areas as sensitive and influential as the handling of the sugarcane, the refining plant, and steam generation. It is true that the situation is not the same in all the provinces or even at the refineries; but the analyses show a negative balance in this regard for Camaguey, Ciego de Avila, Las Tunas, and Havana Provinces, to cite those which have to make the greatest effort to overcome their problems.

The GRANMA article adds that to the available material resources will be added the talents and knowledge of the Cuban sugar workers to reach the most desired goal, that which truly guarantees the timely start-up of operations: quality repairs. In this sense it became clear that the most capable and qualified personnel will be assigned to this task. The optimum planning of human resources will make it possible to keep the personnel not involved in the repairs working at other tasks at the refinery or in training in order to improve operations. This is the language that must be spoken now when there are so many things to be done in such a short time.

Sugar Harvest Completion Ceremony in Cienfuegos

FL0108180392 Havana Radio Rebelde Network in Spanish 1700 GMT 1 Aug 92

[Text] Today Cienfuegos hosted the main national ceremony marking the end of the sugar harvest. Because of their results during the last 29 harvests, the workers at the Elpidio Gomez Agroindustrial Complex in Palmira Municipality received the Labor Feat Banner during the main national ceremony for the end of the sugar harvest, which concluded here a few minutes ago. Cienfuegos Province also received a trophy and a certificate for being chosen the province with the best overall work during the 1991-92 harvest and for fulfilling its sugar production plan, respectively.

Carlos Brunet Escobar and Silveiro Espinosa Garcia of Sancti Spiritus, and Alfredo Bueyo Perez and Estefania Porroto Perez of Ciego de Avila were chosen the best manual cane cutters in the harvest that has just ended. Granma Province's results were outstanding in the potential refining capacity and sugar production categories, while Villa Clara Province obtained the best yield indicators [words indistinct] and sugar quality.

Before the main national ceremony for the end of the sugar harvest at the Elpidio Gomez Agroindustrial Complex in Palmira Municipality in Cienfuegos Province, the best workers in the sugar industry met with officials of the labor movement and the Ministry of the Sugar Industry. Sugar Industry Minister Juan Herrera Machado stated that they have worked under very difficult conditions because of the fuel shortage. Nevertheless, he stressed the efficiency of the work at each agroindustrial complex. He said that the goal now is to repair sugar industry machinery and carry out the cultivation and planting work at each complex.

Havana Power Outage Schedule Continues in Aug

FL0108144292 Havana Radio Reloj Network in Spanish 1410 GMT 1 Aug 92

[Text] The Basic Electricity Organization in Havana has reported that the same schedule for power outages will continue during the first two weeks of August, and if there are any changes they will be announced. Today, the electricity service will be cut from 1400 to 1700 in Plaza, Centro Habana, Habana Vieja, and Cerro Municipalities, while the outage in Regla, Habana del Este, San Miguel, Cotorro, Guanabacoa, Lisa, and Marianao Municipalities will be from 1700 to 2000. The Basic Electricity Organization in Havana also notes that there will be no outages from 2000 to 2400, nor on 2 August, according to the established schedule.

Jailed General Accuses Top Cubans of Trafficking

FL3107123692 Bonaire Trans World Radio in English 1130 GMT 31 Jul 92

[Text] A former Cuban general sentenced to 30 years in jail for drug trafficking has implicated top Cuban officials in illegal drug smuggling. The French newspaper LE MONDE published a letter yesterday from former General Patricio de la Guardia to two senior Cuban Communist Party officials. The letter was smuggled out of Havana's La Condesa prison and sent to LE MONDE. The letter says drug trafficking by military officials and former cabinet ministers was authorized at the highest levels of the Cuban Government. The former general's brother, Colonel Antonio de la Guardia was executed with four other top Army officers with connection with what is known as Ochoa Affair.

U.S. Vote To Suspend TV Transmissions Viewed

FL3107182092 Havana Radio Rebelde Network in Spanish 1700 GMT 31 Jul 92

[Text] The broadcasts by an anti-Cuban television station sponsored by the U.S. Government have been condemned by international figures and organizations because they are illegal. Opinions within the U.S. Administration are also divided.

The U.S. House of Representatives voted to suspend funds for these broadcasts in a session held 30 July. In a vote of 206 in favor and 194 against, the legislators

decided late last night to shut down the cynically named TV Marti. Its effectiveness has been thwarted by constant jamming by Cuban technicians, who have more than overcome the Yankee technology developed for that purpose.

Democratic Representative Bill Alexander from Kansas [as heard] called for the suspension, beginning on 1 October, of the $13 million allocated to the TV station. Alexander asserted that TV Marti is a relic of the Cold War and added that the suspension is obligatory, since it is wasting money on an audience that does not exist. The case will now be studied in the U.S. Senate at an unknown date before the definitive shutdown of the anti-Cuban TV station is decided. In the past few years, the broadcasts have been condemned by experts and institutions from several countries for being a flagrant violation of international laws on communications.

Commentary Describes 'Illusion' of Capitalism

FL3107145092 Havana Radio Progreso Network in Spanish 1100 GMT 31 Jul 92

[Commentary by Nestor Nunez]

[Text] What can the Cuban people expect to gain from a return to capitalism, that pseudo-magical system clumsily materializing in other latitudes, which in its most diverse forms is being recommended to, and demanded of us? First of all, the right to no guarantees. It must be said in this manner, plainly, because consumerism and individual pursuits create illusions. Some people believe that if this step backwards were to occur, they would live like kings simply because today they have every opportunity, and they cannot imagine tomorrow otherwise.

I believe that this is true, that with capitalism we will have opportunities. A minority will be able to attain a certain standard of living; the majority will be able to die in poverty, burdened by dreams of personal fulfillment, as happened to so many generations of compatriots during the half century's false republic. Capitalism is rough; it is not the colorful magazine that some may look at in secret, filled with almost extraterrestrially-shaped shining cars and video equipment.

That is an illusion for living. The reality is different: money as the measure of everything and the means for everything—from one's daily bread to the doctor and the school. If there is no money, there is nothing. We must be clear about opportunities. The lion's share will be for the rich, such as Mas Canosa and of course, his English-speaking pals. For those now in Cuba, there might be something for the hoarders and illegal vendors of today, as is happening in the toppled former socialist republics of Eastern Europe.

This is why it is good to open our eyes wide despite the serious difficulties of the day; and instead of lamenting, resenting, and being reserved, the healthiest, most advisable approach is to redouble our efforts toward two main goals: To create more for everyone, and for everyone to be better.

Ministry Improves Medication Quality Control

FL3107181492 Havana Radio Rebelde Network in Spanish 1700 GMT 31 Jul 92

[Text] Ministry of Public Health specialists believe that Cuba now has the scientific and technological foundation necessary to guarantee quality of medications, reagents, and equipment. This guarantee is possible primarily because of a major investment process aimed at acquiring very new technologies and also because of the organization of production and the achievement of discipline.

In this regard, the State Center for Medication Quality Control is being considerably expanded and will soon have new, larger premises in Playa Municipality. The new facilities will have two modern laboratories, one for microbiology and the other for physical chemistry, and a science and technology information center which will serve as a reference source for Cubans and foreigners. The aim is to monitor, register, and inspect everything concerning the quality of Cuban medications by means of a single national authority to ensure good practices as well as effectiveness and safety of new products.

Epifanio Selan Husein, a doctoral candidate in the sciences, said to the National Information Agency that this development was imperative, given the production of pharmaceuticals in the country and the need to meet the standards established by the WHO in this field.

Inter-Caribbean Affairs

Carrington Named New Caricom Secretary General

FL0108175992 Bridgetown CANA in English 1704 GMT 1 Aug 92

[Text] Georgetown, Guyana, Aug 1, CANA—Trinidad-born Edwin Carrington has taken over the reins as secretary general of the Caribbean Community. His appointment became effective Saturday [1 August], after Jamaica's Roderick Rainford on Friday completed a near nine-year stint as the administrative head of the regional integration movement.

"You land running; you hit the ground running; and having hit the ground, you'll be able to pick up the pace and run faster," Rainford told Carrington at a lively handing over at the Georgetown secretariat of the 13-country organisation.

"It is with great pleasure and with positive and confident expectations that he will be the beneficiary of your full support that I have got in the past, and with great confidence that he will work very closely with the regional governments and that they will give him their

support," Rainford said to secretariat staff members. And, with a firm handshake, the outgoing secretary general handed over his office keys to Carrington.

"I cannot, and I probably do not even hope to match Roderick's remarkable patience and longevity, his skill, his vision, his ability to hold all ends together," Carrington said in his acceptance speech.

"I beleive very firmly that this timing and this exercise on which we have embarked is probably the most decisive in the history of this region," he said.

In a reference to the emerging global economic order of mega-blocs, he said: "I've seen enough out there in the world to know that what is coming at us is not pleasant and by no means assuring. We have a most critical, life-saving task to undertake for our region at this time." Integration, he said, is everybody's business.

"We need to shift a little the emphasis. This is a matter about the people of the region—all the people, and that is the task I enjoin all of you to join me in pursuing," Carrington said.

He urged the officials to join him in the "anchor lap" of the relay. "If we fail, integration fails, I suspect."

Carrington is the former secretary general of the African Caribbean and Pacific (ACP) group of countries.

Censorship of Dominican Republic Radio Protested

FL3107204092 Bridgetown CANA in English 1935 GMT 31 Jul 92

[Text] Bridgetown, Barbados, July 31, CANA—Two Caribbean umbrella groupings have joined in a mounting international protest against media censorship in the Dominican Republic that is helping the illegal regime in neighbouring Haiti. Caribbean Rights, the regional human rights network, based here, and the Caribbean Association of Media Workers (Camwork) have today (Thursday [30 July]) separately cabled their protests to President Joaquin Balaguer on the restrictions imposed on Radio Enriquillo in the Dominican Republic.

Pressures by the Dominican authorities that have led to the censoring of the Creole-language broadcasts by the independent and influential Radio Enriquillo, have coincided with threats of violence against journalists in Haiti who co-operate with the radio station. Broadcasts by Radio Enriquillo are known to be popular among Haitians who are attracted by its Creole-language news and other programmes that irritate the military-backed regime in Port-au-Prince.

Both Caribbean Rights and Camwork, have appealed to Balaguer to immediately exercise his powers to end the censorship and other forms of restraint that currently affect the freedom of Radio Enriquillo. Protests and appeals to the Dominican Republic's Government have also been made by the United States-based National Coalition for Haitian Refugees, Americas Watch, and the Lawyers Committee for Human Rights.

Caribbean Rights has copied its letter to Balaguer to the Caribbean Community secretary general, pointing out that the Dominican Republic is an observer of the community; the secretary general of the Organisation of American States (OAS), and also the World Council of Churches (WCC).

In its protest cable to balaguer, Camwork said that in "circumscribing the freedom of Radio Enriquillo," the Dominican Republic's Government "stands accused of not just the suppression of press freedom.

"Implicit in this action," added the regional media body, "is support by the Dominican authorities for maintaining the illegal, dictatorial regime in Haiti."

Haiti

Ministers Talk About Country's Problems

FL3107162992 Port-au-Prince Radio Tropic FM in Creole 1200 GMT 31 Jul 92

[Report on news conference by Finance and Economy Minister Wiener Fort; Planning, External Cooperation, and Public Administration Minister Jean-Andre Victor; Justice Minister Moise Senatus; and Public Health and Population Minister Adrien Westerban at the National Palace on 30 July—recorded]

[Excerpt] During a news conference held 30 July at the National Palace by four ministers of the government, Finance and Economy Minister Wiener Fort announced that the government would submit a bill to parliament on a ceiling for the issuance of money in Haiti.

Minister Fort also explained that the Haiti Flour Mill is not making a profit for the Haitian Government, that it is has a very large deficit. Minister Fort explained that the mill has so many debts that he believes only three options remain to avoid losing the mill entirely. The three alternatives are: To place the mill's funds under private control, to privatize the mill's assets, or to sell the entire flour mill in order to release the Haitian Government from this burden.

Justice Minister Moise Senatus announced that a bill proposing the creation of an Office for the Protection of Citizens will be submitted to the House of Deputies within the next few days, before the House closes. Minister Senatus stated: We are living through an extremely difficult period during which citizens' rights are subject to ridicule, both in public administration and in their civil and political lives. Moise Senatus said that the government is concerned about the situation of human rights in the country and is willing to make every effort to put an end to these violations and to defend public freedom. [passage omitted]

Parliament Forms Bicameral Discharge Committee

FL3107165792 Port-au-Prince Radio Metropole in French 1600 GMT 30 Jul 92

[Excerpts] The House of Deputies, meeting in ordinary session on 29 July, held elections by secret ballot to determine which deputies would be part of the bicameral discharge committee.

This parliamentary committee, the formation of which is provided for in Article 233 of the Constitution, is responsible for serious, permanent control of public expenses. It is due to present a report on the ministers' management so that the two assemblies can certify [their performance].

The 15-member committee comprises nine deputies and six senators. The Senate had already chosen its members at the beginning of their session. The nine deputies chosen yesterday include Deputy Lavaud Jean-Baptiste, Joseph Lambert, Denis Saint-Fort, Luc Dieudonne, Vernort Ancelot, Bomier Joseph Elisca, Emmanuel Reyme, Jonas Louis, and Edmond Mirold. [passage omitted]

This committee intends to call in specialists to assist them with their work.

Elections Begin 'Normally' in Six States

PA0208191392 Paris AFP in Spanish 1444 GMT 2 Aug 92

[Text] Mexico City, 2 Aug (AFP)—Elections in six Mexican states, in which five governors will be elected, began normally on 2 August, according to local electoral authorities.

Almost 6 million voters will elect governors, mayors, and local deputies in Aguascalientes, Durango, Oaxaca, Veracruz, and Zacatecas, and only mayors in Baja California, where the opposition and rightist National Action Party (PAN) have been in the government since 1989.

In most states the ruling Institutional Revolutionary Party (PRI, 63 years in power) is the clear favorite to win the elections, although the opposition hopes to validate the victories obtained in the 1989 state elections.

In the northern Durango State, PAN formed a coalition with the center-left Party of the Democratic Revolution (PRD) for the first time and nominated Rodolfo Elizondo, who according to surveys, has almost the same possibilities of winning as Maximiliano Silerio, the PRI candidate.

Meanwhile, in Veracruz, the progovernment newspaper EL NACIONAL recognized that the election is "unpredictable." Only PRD candidate Heberto Castillo has campaigned against PRI candidate Patricio Chirinos, former minister of urban development and ecology.

In total, five governors, 99 state deputies, and 676 mayors will be elected. The polls will close at 1800 local (2400 GMT) and official results will be known at the end of the week.

'Minor' Incidents Reported

PA0308035692 Mexico City NOTIMEX in Spanish 0240 GMT 3 Aug 92

[Text] Mexico City, 2 Aug (NOTIMEX)—Elections in six Mexican states, in which five governors, 100 mayors, and 108 deputies were elected, ended on 3 August at 1800 local time (0000 GMT) in peace and with reports of only minor incidents.

Governors were elected in Durango, Aguascalientes, Oaxaca, Veracruz, and Zacatecas. In Baja California, the first state where the opposition organized the elections, the local congress (15 deputies) and four mayoralties were up for election.

So far figures related to the number of voters or any unofficial results are still unknown.

In Aguascalientes, central Mexico, the candidate favored to win the position of governor is Otto Granados, candidate of the governing Institutional Revolutionary Party (PRI). Leaders of the opposition National Action Party (PAN) and Authentic Party of the Mexican Revolution (PARM) acknowledged that they "have no possibility of winning."

In this state, 334,378 persons are registered to vote to choose a governor, 18 deputies, seven deputies by proportional vote [plurinominales], and 11 mayors.

According to several PRI spokesmen, the voting took place peacefully, and voter participation at the 658 polling places located throughout the state increased during the last hours of the day.

PAN representatives acknowledged that the chances of their candidate, Gerardo Reynosa, winning the governor's office "are not too good because there was a lack of insight" in the election campaign. PARM leaders have accepted that their candidate, Jorge Garcia Delgadillo, "does not have any real chance of winning."

In Durango (northern Mexico), PRI candidates Maximiliano Silerio and Rodolfo Elizondo, supported by a PAN-Revolutionary Democratic Party (PRD) coalition, stand out as the favorites to win the governorship.

State electoral authorities installed 1,723 voting boxes so the 604,581 registered citizens could vote. They will also elect 30 mayors and 15 deputies.

Even though no major incidents were reported, the representative of a Mexico City radio station reported that she had been harassed by PAN militants while conducting a poll on voter preferences.

The PRI has also accused PAN candidate Rodolfo Elizondo of campaigning during the elections.

In Oaxaca, southern Mexico, one of the least developed areas in the country, 1.278 million voters were registered to vote for governor, 21 deputies to be elected by majority vote, and 10 deputies to be elected by proportional vote.

PRI candidate Diodoro Carrasco, PRD candidate Raul Castellanos, and PAN candidate Alfredo Castillo were the three main contenders among the six who ran for governor.

One hour before the voting booths closed, the State Electoral Commission [CEE] reported there were no incidents, and that no party had filed any complaints.

In Zacatecas, central Mexico, there were seven contenders for governor, the main candidates being PRI candidate Arturo Romo, PAN candidate Ramon Medina, and Jaime Enriquez of the PRD. The CEE reported installing 952 voting booths. The 588,759 registered voters elected the governor, 56 mayors, 15 deputies by majority, and six deputies by proportional vote.

The PRD accused the PRI of violating the electoral law by campaigning eight hours before the booths were opened.

In Veracruz, in the southeast, PRI candidate Patricio Chirino and PRD candidate Heberto Castillo were the strongest contenders for the governorship. There were 3.130 million voters registered to elect 24 deputies by majority vote and 16 by proportional vote.

At noon, the PRD reported several irregularities in the installation of the voting booths and in voting procedures in several municipalities, although official sources reported no incidents during the voting.

In Baja California, ruled by the conservative PAN party, there were elections only for the state congress and four city councils.

The official results of the voting in the six states will be released on 10 August by the state electoral commissions.

Japanese Crown Prince Impressed by 'Expectations'

OW0208073692 Tokyo KYODO in English 0625 GMT 2 Aug 92

[Text] Cancun, Mexico, Aug. 1 KYODO—Japan's Crown Prince Naruhito on Saturday [1 August] said he learned about the high expectations of Japan in Spain, Venezuela, and Mexico, which he visited on an 18-day tour.

The 32-year-old prince made the comment to Japanese reporters accompanying him on a tour of the Yucatan Peninsula resort town of Cancun following his visit to the Chichen Itza ruins on the peninsula earlier in the day.

Crown Prince Naruhito left Japan for Madrid on July 18. He will return home August 4 via New York.

Prince Naruhito said that his visit to each country had given him new insights and experience. He said he hopes his visit will contribute to mutual understanding and friendly relations beyond formal diplomatic and political ties.

In Spain, Prince Naruhito attended the opening ceremonies of the Barcelona Olympics with the heads of several nations. On his second leg of the tour in Venezuela, where he was the first imperial family member to make an official visit, he was treated as a virtual state guest. Venezuela President Carlos Andres Perez received the crown prince at the airport on his arrival.

He said he was very much impressed during the tour that he heard about the high expectations these countries have of Japan.

He evaded questions from the reporters about the prospects that he will soon marry, saying that he has not yet found a bride candidate.

The Japan Newspaper Publishers and Editors Association has extended its earlier agreement to withhold reports on the crown prince's prospective brides for "human rights" reasons.

The association decided to ban the reports following requests by the Imperial Household Agency for the media to consider the women's human rights and privacy, which the agency said were being violated by [words indistinct] reporting.

El Salvador

Provisions Facilitate FMLN Party Registration

PA3107202392 Panama City ACAN in Spanish 1400 GMT 31 Jul 92

[Text] San Salvador, 31 July (ACAN-EFE)—In the early morning of 31 July, the Legislative Assembly of El Salvador approved temporary provisions to facilitate the registration of the guerrilla movement as a political party within 100 days.

The parliamentary political commission issued a favorable ruling to this effect, but it emphasized compliance with an article of the Constitution that prohibits the existence of armed groups for political purposes.

Following the approval of temporary provisions, the Farabundo Marti National Liberation Front (FMLN) will have to comply with the requiremenets and procedures established in the Electoral Code.

One of these requirements calls for presenting at least 3,000 signatures of members as well as the statutes and principles of the new party.

According to the decree, a party cannot use names, initials, or characters that correspond to state institutions or individiuals, but it may use names of persons who have been dead for 50 years prior to the registration date of the political group.

Therefore, the FMLN will be able to keep its name, including Farabundo Marti, a leader of the peasant rebellion of 1932 who was executed in February of that same year.

The decree also prohibits adopting as an emblem the flag or seal of El Salvador or any other country, and it also bans using the same colors or similar colors to those already used by any other existing party.

FMLN Expects Obstacles

PA0108044292 San Salvador Canal Doce Television in Spanish 0300 GMT 1 Aug 92

[Report by Salvador Abarca]

[Text] The Legislative Assembly, after heated debates, approved on 31 July the provisional amendments to the Electoral Code to expedite the legalization of the Farabundo Marti National Liberation Front [FMLN] as a political party. Nevertheless, Joaquin Villalobos foresaw more obstacles ahead.

[Begin Villalobos recording] Regarding the FMLN legalization, the lawmakers basically told us: Yes, we will give you this law, but you are going to have many problems in the process of making it legal. That is not the agreement we made in New York. The agreement we signed in New York stated that the FMLN could be a legal party at one stage of the peace process. That agreement was not kept, because it was supposed to happen in 60 days. It has been more than six months and it still has not happened. [end recording]

The FMLN leadership also rejected the Armed Forces obligatory military service and reserve law. According to the FMLN, that law would allow the Army to set the number of soldiers it deems appropriate in its recruitment centers throughout the country.

FMLN Commander on Suspension of Demobilization

PA0108144692 San Salvador Radio Cadena YSU in Spanish 1200 GMT 31 Jul 92

[Text] The second 20 percent of the FMLN [Farabundo Marti National Liberation Front] military structure scheduled to be demobilized on 31 July will not take place, Commander Nidia Diaz [Maria Concepcion Valladares de Sosa] confirmed. Diaz stated there was a lack of guarantees for the former combatants to join civilian life. Nevertheless, the government and the FMLN—with UN Observers for El Salvador mediation—have been holding meetings during the past week to overcome the stumbling blocks in the implementation of the agreements. We have Commander Nidia Diaz's remarks on the suspension of the demobilization of the second 20 percent of combatants.

[Begin Diaz recording] There are aspects of the contingency plans for FMLN combatants to join civilian life that have not been implemented for the first 20 percent. Only part of that plan has been fulfilled [words indistinct] they have not received the home supplies, farming tools, and credits related to [words indistinct]. The contingency plan for the 20 percent that demobilized on 30 June is behind schedule. Problems have arisen with those who were scheduled to demobilize on 31 July, as we have to verify and secure the social and economic plans for the short and long term. Meanwhile, [words indistinct] Legislative Assembly to approve the law for the Electoral Code reforms [words indistinct] as these correspond precisely to conditions established for the first 20 percent of demobilized combatants. [end recording]

Commander Nidia Diaz continued that the conditions are not acceptable for the demobilization of the former combatants. According to Diaz, the demobilization of the second 20 percent of the troops should be carried out before the end of August because the third 20 percent of the rebel troops is scheduled to be demobilized by 31 August.

FMLN Commanders Comment on Peace Process

PA0208142892 San Salvador Radio Cadena YSU in Spanish 1230 GMT 1 Aug 92

[Text] The Farabundo Marti National Liberation Front [FMLN] High Command stated the peace process could be suspended if the political murders continue and if the framework of economic, social, and political guarantees does not favor all the former combatants who will have

to join civilian and productive life. FMLN Commander Joaquin Villalobos said a destabilizing situation is materializing that is dangerous for peace. He reiterated that only fools would enter a game where they will lose by a large margin. We have Commander Villalobos' comments:

[Being Villalobos recording] We are relying on the government's fulfillment of the agreements. We are simply responding to a situation, if the situation is not created we will not [words indistinct], we are not naive. This is an agreement between two parties and unilateral noncompliance will not be tolerated. We are not willing to continue with the current state of affairs. If we were unarmed, in one month who knows how many people surely would be killed in this country. We would not have been able to do anything about this situation. We are not going to commit this [words indistinct] our greatest guarantee is the framework of the cease-fire and [words indistinct] will decide now [words indistinct] the government must fulfill all its commitments. [end recording]

FMLN leader Salvador Sanchez Ceren said the FMLN is ready to join civilian life, but it will not do so without the guarantees the government promised. Sanchez Ceren said the combatants that demobilized on 30 June have not received anything to join productive life and that other agreements on the granting of land and the National Civilian Police have not been met.

[Begin Sanchez Ceren recording] [words indistinct] The Armed Forces are waging a campaign in an attempt to frighten the people. They are telling the people the FMLN will surrender its weapons in October, and as of that date all the persons who have identified themselves with the FMLN will be eliminated. Therefore, we feel we are focusing on the core of the matter. For us, the [words indistinct] has to [words indistinct] as soon as possible, in agreement with [words indistinct]. This has to do with the land issue. The land issue is fundamental to change this country's socioeconomic situation, not only for the FMLN but for all the peasants. We still do not have an inventory of the lands to be granted. Until now, an inventory has not been made, so we cannot say our comrades have been assigned lands. [end recording]

According to the FMLN High Command there are 46 peace agreements that have not been met. The majority of these agreements are vital for the consolidation of peace, Shafik Handal said.

[Begin Handal recording] The accumulation of unfulfilled agreements is very large. There has been noncompliance of, in addition to those issues I already mentioned, two Armed Forces issues, eight socioeconomic issues, two on the FMLN's political participation, two on the National Civilian Police issue, four human rights issues, two on the cease-fire, and four on the draft bills that should have been drawn up by the [words indistinct]. In total that makes 46. This is not a matter to be solved with the old excuse that there are difficulties and delays. It is time we get back down to earth, it is time to give the peace process the support it needs. The peace process is not only the silencing of the guns. It seems some people in government circles and in the Armed Forces want the nation to conform to the fact that shots are no longer being fired. This cannot be. The negotiations are to reform the nation and give peace strength, based on democracy at the initiation of a social justice process. [end recording]

Upon making this evaluation, the FMLN confirmed the demobilization of the second 20 percent of combatants was suspended until the guarantees agreed upon at the signing of the peace agreements in Geneva [place name as received] are met. This is [words indistinct] to advance toward the end of the conflict and the transformation of Salvadoran society.

Presidency Minister Comments on Peace Agreements

PA0108231792 San Salvador Radio Cadena Central in Spanish 1230 GMT 1 Aug 92

[Report by Maribel Montenegro]

[Text] Presidency Minister Oscar Santamaria said the fulfillment of the peace agreements should be concluded by 31 October. The official said there has been a significant delay in fulfilling the agreements but this is no indication that the deadline cannot be met.

[Begin Santamaria recording] I have said it often. It will be up to the report and the evaluation by the verification officials to determine which side has or has not met its obligations. There are no coercive actions here, no one has been forced to comply with the agreements just as he has accepted them or just as he has signed them. We are talking about a process that is not subject to these types of rules. But Salvadoran society and the international community are making their judgments.

Other interrelated aspects of the agreements must be kept in mind. We believe part of the strategy of the FMLN [Farabundo Marti National Liberation Front] is to play a greater role by saying the agreements are not being fulfilled. That is why they are going to take such positions. I believe they should realize this is neither advisable for them as a group nor is it good for Salvadoran society because we all have to change to build the necessary trust. [end recording]

He also regretted that the FMLN has not proceeded with the demobilization of the second 20 percent of its fighters, as had been stipulated. This represents a violation of the agreements, the presidency minister said.

[Begin Santamaria recording] We are actually trying to find solutions to the problems concerning their return to civilian life. We are taking steps to open the [National Police] Academy as soon as possible. We want to promote the approval of the decree for the FMLN's legalization as a political party, a process that began on 29 July. These are significant steps. We have to pay special

attention so that the delays can be overcome. I could tell you that the FMLN has violated agreements, such as the fact that they did not completely gather their forces in the designated areas as of 3 March, as of 17 March, as of 30 June, and as of 17 July. It is now 30 July and they are still not all gathered in the designated areas. The famous FMLN security commissions are still outside the designated areas. They have unilaterally taken on public security duties and that is not part of the agreements. It was never stipulated that someone could create unilaterally public security groups. That is a total violation of the agreements.

Another basic issue the FMLN has not addressed seriously and one that is still being questioned by the United Nations has to do with its submitting a complete arms inventory. The FMLN says it will comply, but we have yet to see it. [end recording]

During the news conference, Santamaria also referred to the death of union leader Ivan Ramirez. Regarding this recent incident, he said that investigations are now under way. Santamaria said that this should not be considered a pretext not to comply with or to hinder the agreements.

Labor Union Member Found Killed in Escalon

PA0108142692 San Salvador Radio Cadena YSU in Spanish 1800 GMT 31 Jul 92

[Text] The Salvadoran Workers National Union Federation reported on 31 July that unidentified assailants machine-gunned group member Ivan Ramirez in the early morning hours. Judicial authorities found Ramirez near the (Maferrer) area, Escalon neighborhood, in San Salvador. The motive for the murder of a member of one of the country's major unions is still unknown.

Armed Forces Announces Transfers, Promotions

PA0208150192 San Salvador Radio Cadena YSKL in Spanish 1730 GMT 1 Aug 92

[Report issued by the Armed Forces Press Committee, Coprefa; date and place not given]

[Text] General Order No. 8 dated 31 July 1992 contains routine transfers and promotions within the Armed Forces.

Colonel Manuel Antonio Rivas, commander of Military Detachment No. 6 in Sonsonate, was appointed new commander of the Cavalry Regiment replacing Col. Roberto Tejada Murcia, who was named commander of the Special Military Security Brigade. Col. Tejada Murcia replaced Col. Juan Carlos Carrillo, who was appointed defense attache abroad.

Lieutenant Colonel Jose Antonio Almendares, commander of the Atlacatl Battalion, was appointed new commander of Military Detachment No. 5 in Cojutepeque, replacing Col. Jose Domingo Flores Portillo, who was transferred to the Armed Forces Military Training Center, CEMFA, in La Union. Col. Flores Portillo replaced Col. Francisco Raul Arturo Lopez, who was appointed defense attache abroad.

Lt. Col. Jose Alejandro Monterrosa is the new commander of Military Detachment No. 1 in Chalatenango, replacing Col. Luis Marino Turcios, who retired. Lt. Col. Monterrosa was commander of the Atonal Battalion in Usulutan.

Lt. Col. Samuel Dolores Cuellar Velasco was appointed commander of Military Detachment No. 6 in Sonsonate, replacing Col. Rivas. Lt. Col. Angel Eliseo Ramos Escalante was named commander of Military Detachment No. 7 in Ahuachapan, replacing Col. Rigoberto Soto Martinez, who was appointed defense attache abroad.

Arsenal Found in FMLN Member's Residence

PA0208132392 San Salvador EL DIARIO DE HOY in Spanish 1 Aug 92 pp 4, 29

[Text] More than 30 81-mm mortar and RPG-7 rocket launched grenades were discovered at 7-B in the Carolina neighborhood in the Los Heroes area. This discovery adds to the series of seizures by authorities of weapons hidden by the FMLN [Farabundo Marti National Liberation Front] or weapons for the FMLN seized along Central American highways.

Ana Mercedes Flores, Ana Gloria Martinez, and Rene Rafael Flores live at the house, according to the police. Rene Rafael Flores, 32, works in the library at the National University and was responsible for the grenades.

The grenades were described as high tech by the authorities, similar to those used in the past few years by several terrorist groups like the Shining Path in Peru and the PLO in the Middle East.

Flores admitted he was responsible for the grenades and confessed, in the presence of reporters, that he is a member of the political branch of the Armed Forces of National Resistance, one of the five groups that make up the FMLN. Flores said he joined the group 10 years ago.

The policemen arrived at the site accompanied by UN Observers for El Salvador (ONUSAL) delegates at approximately 0800. Flores did not allow them inside the house until he, as he later confirmed, consulted with the FMLN leadership.

Initially Flores said he only had six grenades, however, more were found when the house was searched. Some grenades were in a clothes closet near the front door and some were found wrapped in plastic buried in the yard. Yet more were found in a clothes hamper near the bedrooms on the second floor.

The police presented a document allowing them to seize the grenades. Flores did not deny his responsibility and only said the FMLN leadership was holding the grenades

for the arrival of another group that would take them to Aguacayo canton, near Suchitoto, Cuscatlan.

According to Flores, most FMLN members keep weapons in their homes pending orders from their leaders.

After admitting his responsibility for the matter, Flores said he was not afraid of being captured because his "commanders" promised he would be freed shortly.

Flores' neighbors looked nervous and were surprised to learn that such a peaceful family was hiding a terrorist arsenal. Explosives experts said on 31 July that the explosion of one of the grenades would have destroyed several houses.

Correction to Guerrilla on Demobilization

PA3007192392

The following correction pertains to the item headlined "FMLN Guerrilla on Suspended Mobilization," published in the 30 July Latin America DAILY REPORT page 7:

Column two, paragraph four, last sentence should read: ...so. [end recording] [new graf]

[Lemus] The demobilization of...(correcting correspondent's name.)

Guatemala

Serrano on Peace, Ministerial Changes, Trade

PA0208000792 Guatemala City SIGLO VEINTIUNO in Spanish 31 Jul 92 p 3

[Text] According to President Jorge Serrano, "The government has its pens ready to sign the peace agreement the way it is, despite the fact that it includes some points we do not agree with."

President Jorge Elias Serrano made the statement during his comments on the government's willingness to reach an agreement with the Guatemalan National Revolutionary Unity (URNG) during the meeting scheduled to be held in Mexico in the first week of August.

He added that this is a clear and categorical indication of the government's political disposition to attain peace. All that is left now is to wait and see if the URNG also wishes to demonstrate its goodwill.

President Serrano emphasized that if we reach the negotiating table and the insurgents decide to sign the agreement, we will take out our pens immediately and sign because our inclination to accomplish peace is unmistakable.

No More Cabinet Minister Changes

President Serrano denied rumors that Guatemalan Central Bank President Federico Linares is leaving his post and being replaced by current Finance Minister Richard Aitkenhead Castillo.

He pointed out that the only change still pending is that of government minister. Serrano added that the position of government minister will be occupied by Francisco Perdomo, who has more than 14 years experience in penal law.

The president indicated that the interior ministry will be strengthened. The Supreme Court of Justice will also be bolstered to expedite the setting up in the shortest possible time more penal courts throughout Guatemala.

With respect to changes in the upper levels of the National Police and the Finance Police, President Serrano said it will be up to the new minister to confirm or remove any officials.

Government Seeks Openness in Customs Tariff Payments

President Serrano referred to the proposal law on customs tariffs and pointed out that the Executive Branch has not sought to block the National Congress' approval of the proposal.

He indicated that some deputies seek to implement changes in the proposal aimed at replacing the requirements currently used to determine vehicle cost with another, less trustworthy, mechanism.

Serrano explained that now, to import a vehicle into Guatemala, a special book edited in the United States is used as a guide. The book clearly establishes the cost of the vehicles.

President Serrano added, however, that several deputies are now trying to have those requirements modified and to have the vehicle cost set by any sale invoice issued in the United States.

President Serrano said his personal opinion is that the mechanism suggested is not too trustworthy, since any person could easily change the price of the vehicle, and that he supports the previous requirements because they make the whole process more open.

Conde Replaces Hurtado in Talks With URNG

PA0108200792 Guatemala City Teleonce Television in Spanish 1800 GMT 31 Jul 92

[Text] Former Government Minister Fernando Hurtado Prem will no longer be a member of the Guatemalan delegation at the next round of talks with the Guatemalan National Revolutionary Unity scheduled to be held in Mexico next week.

The delegation will be headed by presidential adviser Manuel Conde, who talked to us about the new phase in negotiation.

[Begin Conde recording] As it is usually done in plenary sessions, the meeting will have two phases. A public phase at the beginning and at the end of each one of the plenary meetings. The discussion phase is always done behind closed doors. We are going to meet at the El Prado Hotel in Mexico City. We are very confident and have faith in God this new meeting between the two sides will yield positive results, not only for the parties involved, but for the Guatemalan people and the negotiation process. The negotiation process needs concrete and objective results so the process itself can be strengthened. We hope to achieve greater credibility for the job we are performing.

Monsignor Quezada Toruno [president of the National Reconciliation Commission] stated in his news conference held a few days ago, that the agenda includes three very specific topics. First, the conclusion of the discussions on the human rights issue; second, the mechanism for the participation of the sectors that have contributed to the peace process; and third, the procedures to be followed by the parties for the continuation of the peace process and discuss the topics that are still pending [word indistinct]. [end recording]

Former, New Government Ministers Cited on Future

PA0108182692 Guatemala City Teleonce Television in Spanish 2100 GMT 31 Jul 92

[Text] Fernando Hurtado Prem transferred the Government Ministry post, from which he resigned last week, to his successor Francisco Perdomo on 31 July. Perdomo will be sworn in on 3 August.

The incoming minister said violence is one of Guatemala's most serious problems and it will be among the top priorities of his ministry.

[Begin Perdomo recording] We must make a real evaluation of the situation in the field. We want to know about the organization, operation, and especially the results of any project currently being implemented. We want these plans to be the appropriate and the correct way to meet the country's needs at this time. [end recording]

Outgoing Minister Hurtado Prem said his departure from the Government Ministry does not necessarily mean his closest aids will also depart, even though Immigration Department Director Mario Arnoldo Reyes Gamboa has left the Ministry.

[Begin Hurtado recording] This is a matter that should not lead to major consequences, as what occurs when an ear of corn is shelled. People should not feel that because I am leaving, they should also leave out of solidarity with me. That has never been my intention or that of my collaborators. We have been very clear with Mr. Perdomo. We have told him not to hesitate to ask us for any assistance we could still provide. We knew this was a temporary thing, but there is absolutely no selfishness. If Mr. Perdomo believes something we began deserves to be continued, we would always be at his disposal to continue to fight so Guatemala can be a better country and the consolidation of democratic institutions can become a reality. We hope to leave behind a different society than the one we have been living in. [end recording]

Honduras

General Discua Talks About Recent Killings

PA0108153492 Tegucigalpa LA TRIBUNA in Spanish 31 Jul 92 p 14

[Text] Luis Alonso Discua Elvir, Armed Forces commander division general, described the deaths of union leader Rigoberto Borjas and university professor Cayo Eng Lee as "ideological killings by certain people who still refuse to accept the fact the USSR has disintegrated and the Berlin Wall has collapsed."

He added "these people have been feeling a vindictiveness that dates back to the past. They want to eliminate anyone involved in the struggle against certain ideologies and they want to settle their disputes."

Following the murder of Eng Lee at the Northern Regional University Center (CURN), its director Carlos David Martinez charged there is a list of teachers, who are members of the United Front of Democratic University Students (FUUD), who have received death threats.

Discua Elvir explained that "certain union leaders and all of the people who accepted the government's amnesty have all been threatened by groups that do not want to accept they are anachronistic. They still believe only weapons or killing someone can solve ideological problems."

Gen. Discua Elvir added that "when someone commits any action against these groups or has belonged to them, these groups do not forget. They are like the Mafia and do not allow anyone to leave their circle because they will then be eliminated."

He explained the Armed Forces continues to attempt to identify these rebel groups "because these people move in the underground, they hide behind the people, or they decide to carry out an ecology function and take to the mountains, the Nombre de Dios mountain range for instance, to carry out their military exercises and practices."

In his analysis of the murder of Professor Eng Lee, he said it was carried out by "persons who know what they are doing, as they have been trained in Cuba, by the Sandinists in Nicaragua, and by the Farabundo Marti National Liberation Front (FMLN) of El Salvador."

He disclosed "we already knew these persons were going to take some action, but we did not know the details. No one can report on them because it is very difficult to detect them."

Gen. Discua Elvir then said: "I do not believe communism is dead, it remains alive," adding that "we hope the people will cooperate because the police alone cannot prevent this violence."

He complained that in Honduras there is always someone who speaks of deaf ears [orejismo] when the Armed Forces point out that "there are two or three telephone numbers that can be used to report common or political crimes and family disputes."

On the other hand, he said that "some have tried to give a political tone to the death of Juan Humberto Sanchez in the Colomoncagua area in La Paz Department, although he was just a juvenile delinquent."

Discua Elvir said that, at the beginning of the year, he clearly said that "when the FMLN of El Salvador finally demobilized, there would be many Hondurans returning to the country who only know how to use a rifle. The people of Colomoncagua have said the boy was a former member of the FMLN, he fought with them, and was a courier to the interior of the country."

Sanchez' death has been condemned abroad and Discua Elvir said "it is just a wish to revive the Honduran Human Rights Defense Committee or the Committee of Relatives of Missing Detainees in Honduras. This is demonstrated by documents at the Inter-Institutional Human Rights Commission and by those who complain only to highlight a case in which the Armed Forces are not responsible."

He added that "the case has been investigated. The stepfather of the boy (Sanchez) appeared before the attorney general and townspeople were brought to render statements—not under pressure as some have said."

Discua Elvir said that saying or asking if the Armed Forces are covering up for the members of an alleged gang of car thieves who are under arrest at the Central Penitentiary is "a bit bold and irresponsible" because "the police or the Armed Forces would never shelter thieves."

Transfers, Promotions in Armed Forces Reported

PA0108001892 Tegucigalpa LA TRIBUNA in Spanish 31 Jul 92 p 3

[Text] Several changes have been made within the Armed Forces on 30 July involving two military brigade units and other positions within the ranks of the military institution, reliable sources have reported.

Even though it had been unofficially reported that certain changes would be made in July, the announcement by the top military command on 30 July still came as a surprise, the source said.

The following changes were made:

1. Colonel Oscar Fuentes Delgado of the Army Logistics Support Command (CALE) was transferred to the 1st Infantry Battalion.

2. Col. Rolando Valencia of the 1st Infantry Battalion was transferred to the 101st Brigade in Choluteca.

3. Col. Alvaro Obdulio Reyes Lopez of the 101st Brigade was transferred to the 105th Brigade in San Pedro Sula.

4. Col. Inocente Borjas of the 105th Brigade was transferred to the CALE.

5. Col. Rigoberto Padilla Bejarano of Military Industry (INFFAA), was transferred to the Hondutel [Honduran Telecommunications Enterprise], replacing Col. Francisco Bustillo Murcia, whose appointment to another post has been postponed.

6. Col. Noe Flores Velasquez, Public Security Forces inspector, has been transferred to the 15th Infantry Battalion in La Mosquitia.

Nicaragua

Assembly President Cesar Calls For Plebiscite

PA3107162792 Managua Radio Nicaragua Network in Spanish 1100 GMT 31 Jul 92

[Text] During a news conference on 30 July, National Assembly President Alfredo Cesar suggested that the government convoke a plebiscite, in view of the difficult socioeconomic situation.

Cesar has been in open confrontation with President Violeta Chamorro for several months. His statements caused surprise among political and diplomatic circles, because a plebiscite would make illegal the last elections and the current democratic government.

Meanwhile, Presidential Spokesman Danilo Lacayo said that there is no legal precedent for a plebiscite in Nicaragua, and that President Chamorro will complete her term of office in 1996, as decreed by law.

Lacayo Rejects Call

PA3107232692 Managua Radio Nicaragua Network in Spanish 1100 GMT 31 Jul 92

[Text] Danilo Lacayo, presidential spokesman and public relations director, has commented on National Assembly President Alfredo Cesar's suggestion to hold a plebiscite so the people can decide whether they accept President Violeta Chamorro's government.

[Begin Lacayo recording] I believe it is uncalled for simply because Nicaraguans have supported and still support Violeta Chamorro. There are basic factors such as the improvement of the national economy and the successful implementation of the government's programs. Violeta Chamorro has accomplished these things,

and she will accomplish even more. However, some people believe there are other more important things to be done.

No one has praised the drastic reduction in our Army. We have not only reduced personnel, but we are also selling helicopter gunships to buy helicopters for civilian use. I believe that what Violeta Chamorro is doing is more important for the people.

We cannot speak of a co-government, either. Her government is above party and other interests. The people know what is really going on in Nicaragua.

The international community has also recognized this. Secretary of State James Baker said that the U.S. Government and the American people recognize Violeta Chamorro's national reconciliation policy. Harry Shlaudeman, former U.S. ambassador to Nicaragua, told LA PRENSA, I believe, that Nicaraguans should thank God we have a president like Violeta Chamorro. Spain praised the Nicaraguan process for being peaceful. International organizations have acknowledged that Nicaragua has a good and honest government and that it has adopted correct economic and political measures. Therefore, I believe that domestic and international acknowledgment of Violeta Chamorro's government is not at stake here.

I believe all Nicaraguans should join efforts to help our country progress. When students or other groups like certain National Opposition Union sectors try to destabilize our country politically, that is reflected abroad and it harms our national economy.

I told Violeta yesterday that if Nicaragua does not receive aid, our democracy will fail. I believe all Nicaraguans should be concerned about Nicaragua receiving aid so democracy can grow stronger. If we do not receive aid, we are going to have so many economic problems that they will smother us and our economic problems will increase. We should join efforts to obtain U.S. aid so we can carry out our infrastructure projects and create jobs for Nicaraguans. That is what we should be doing now.

The country's situation is serious. We cannot engage in politics. Plebiscites and referendums are fine for countries with situations different from ours. In Nicaragua, we are in a period of transition to democracy. Violeta Chamorro is building democracy on bases that were until recently unstable. We are slowly building stronger bases for democracy.

That is why I tell Nicaraguans that regardless of our political affiliation, we should support Violeta in her struggle to save our country. It is interesting to see how some people are saying that we need legal instruments to settle our differences. Until about three years ago, the only instruments used to discuss national problems were weapons, death, and war.

I believe Violeta's success in pacifying the country is most important, although some people refuse to see it that way. She has pacified our country slowly, leading us through paths of peace and national reconciliation. Pacification should be our standard. We have many problems, but Violeta is trying to reduce the Army by 2,000 more officers. We are selling helicopter gunships. We are not buying a single rifle. To the extent possible our budget is used for education and health and to improve Nicaraguans' living conditions. [end recording]

Cabinet Issues Statement of Support For Lacayo

PA0108134392 Managua Sistema Nacional de Television Network in Spanish 0100 GMT 31 Jul 92

[Text] The cabinet has taken a stance regarding the latest events threatening public order, economic stability, and free democracy. The cabinet formally rejected the violent methods used by anarchic sectors that violate and trample other peoples' rights. The cabinet also rejected any type of meddling that harms national sovereignty, condemned corruption by those holding public office, and called on the appropriate institutions to act objectively and diligently in the investigation and punishment of such incidents.

The cabinet also condemned the use of dirty tricks for securing political advantage, regardless of the party involved. The cabinet, therefore, rejects all attempts to associate Presidency Minister Antonio Lacayo with acts of corruption. This goes beyond the damage to Lacayo as a person and attacks the national project Mrs. Violeta Chamorro heads by popular mandate.

In their statement, cabinet members expressed their full support for the establishment of a legal state, the concerted agreement as an instrument of reconciliation, free political pluralism, the development of the individual's basic values, and the use of the economy's structural adjustment to attain continuous growth. They also give their unreserved support for the full establishment of public order.

The statement is backed by a long list of signatures by ministers, deputy ministers, and directors of government entities.

Two Ministers Refuse To Sign

PA0108141692 Managua BARRICADA in Spanish 31 Jul 92 p 5

[Text] Education Minister Humberto Belli and Central Bank President Silvio de Franco were the only members of the Nicaraguan cabinet who did not sign a public declaration supporting Presidency Minister Antonio Lacayo. The declaration was made public on 30 July in Managua.

Ministers, deputy ministers, and directors and assistant directors of government entities, with the exception of

the officials listed above, rejected in the last paragraph of the declaration "the attempt to link" Lacayo "to acts of corruption."

In a document issued recently by Comptroller General Guillermo Potoy, Lacayo was accused of covering up acts of corruption allegedly carried out by former Deputy Minister of the Presidency Antonio Ibarra.

The members of the cabinet who signed the document rejected "the use of dirty tricks to secure political advantage" and noted that "in addition to the intention of harming this person (Lacayo), such actions go against the National Plan being adroitly promoted by Mrs. Violeta Chamorro on the people's mandate."

The signers reiterated their rejection of all acts of corruption carried out under the shield of a public post and reiterated their decision to back Lacayo's "objective" investigation and the penalty imposed.

The declaration, which refers to the wave of protests rocking the country, also rejects the use of violence and supported, "without reservations," the measures being implemented to reestablish public order.

The ministers announced their decision to continue promoting structural changes in the economy as well as "agreements as fundamental tools" for securing reconciliation, peace, democracy, and the country's economic growth, and rejected "all types of meddling that harm national sovereignty."

The reason Belli and De Franco did not sign the document have not been established.

Telcor Issues Communique on Student Occupation

PA3107160892 Managua Radio Nicaragua Network in Spanish 1100 GMT 31 Jul 92

[Communique issued by the Nicaraguan Telecommunications and Postal Services Institute, Telcor, in Managua on 31 July]

[Text] The Nicaraguan Telecommunications and Postal Services Institute, Telcor, reports to the general public, particularly its customers, that at approximately 1000 on 30 July a group of people identifying themselves as university students arrived at the Telecommunications Center in Managua. They gradually proceeded to occupy its installations until they had seized total control of the building. Despite Telcor's efforts to dissuade them from their actions, the occupiers closed the building's doors, preventing the normal activities of the employees and the public. They also prevented the departure of the employees who were left as hostages of the occupiers.

The talks between the Telcor authorities and the leaders of the occupiers have revealed that the aim of the action is to show strength and to pressure the country's authorities into accepting the demands on the university budget.

Given this situation and the inability to share responsibility for the protection of the installations and the property inside the Telecommunications Center, the Telcor Higher Directorate decided to withdraw all its security guards, leaving the building, installations, and property in the total control of the occupiers.

In view of this situation, which continues at this time, Telcor fulfills its duty by announcing to the citizenry that it cannot assume shared responsibility for the protection and safekeeping of the equipment, property, postal money orders, and mail inside its installations. The individuals who form part of this movement and their leaders and masterminds will be responsible for any damage, missing funds, abuse, theft, and looting that occurs as a result of this arbitrary occupation.

Students Leave

PA0108001592 Panama City ACAN in Spanish 2140 GMT 31 Jul 92

[Text] Managua, 31 Jul (ACAN-EFE)—A group of university students turned the Managua Communications Palace [as received] over to authorities after occupying the building for over 24 hours to demand that the government allocate 6 percent of the national budget for state universities.

Official sources told ACAN-EFE that the installations of the palace, a building belonging to the state-owned telephone company, were "satisfactorily" received by Deputy Communications Minister Rolando Rivas.

The protests were headed by Sandinist student leaders.

The students demand that the government deliver 38 million cordobas ($7.6 million) to the universities to equal 6 percent of the national budget.

The government, however, claims that the universities have been given $23.4 million, which is 6.2 percent of the budget, more than the amount the universities rectors are demanding.

Xavier Gorostiaga, the Spanish rector of the Central American University (UCA) of Managua, demanded on 31 July that the Nicaraguan legislature call a special session to carry out an "authentic interpretation" of the Constitution regarding the 6-percent budget allotment.

Gorostiaga said he was speaking for the National Universities Council [Consejo Nacional de Universidades] and added that "the situation would turn very serious if another prolonged university crisis were added to the country's current crisis."

Airport Officials Fired, Troops Occupy Facilities

PA0108172392 Managua BARRICADA in Spanish 31 Jul 92 pp 1, 14

[Report by Carlos Garcia and David Gutierrez]

[Text] The Augusto C. Sandino Airport was militarized on 30 July, after the workers union decreed a "partial strike" to protest the firing of airport General Manager Tomas Urroz and Administrative Director Maxima Luz Gonzalez by Construction and Transportation Minister [MCT] Jaime Icabalceta.

Answering questions posed by BARRICADA, Urroz charged that he had been dismissed to stop the "investigation" and "the implementation of controls to combat corruption" at the airport.

The airport receives approximately $150,000 a month for its services to airline companies. Urroz and Gonzalez reported that between $15,000 and $18,000 of this stipend is given to Minister Icabalceta every month for alleged MCT expenses, which have not been substantiated.

The strike, which could turn into a general strike on 31 July, included the entire administrative area—accounting, maintenance, gardening, payments, and restaurant—but did not hinder operations of the airlines.

Urroz also reported that Icabalceta had taken control of the gasoline used at the airport. He believes this action could lead to serious difficulties with the airlines.

Union leader Alberto Torres said the "sit-down" strike had been decreed after Minister Icabalceta arrived at the airport to give the dismissal notices to the airport officials and to assume direct control of the airport. The notices were dated 20 July.

Urroz asserted he implemented strong administrative measures after he was made general manager that "annoyed Icabalceta." One of the measures is to impose more control on purchases, fuel quotas, and the amount of food consumed by directors at the airport restaurant.

Minister Icabalceta requested that special Sandinist People's Army troops occupy the airport. The troops surrounded the airport and occupied the airport entrance, the upper part of the building, and the general manager's office.

Domestic journalists who tried to interview Icabalceta had to struggle with the soldiers to break the military cordon and enter the general manager's office. They, however, were pushed and shoved and our female colleagues were even fondled.

Luis Aguirre, the secretary general of the workers union, told BARRICADA the MCT minister plans to appoint Constantino Cespedes as airport manager. Cespedes is his trusted ally at the MCT and is the current ministry secretary general.

"I do not want to make any statements now. There have been dismissals. We are making administrative changes. Please understand, I do not want to make any statements," Minister Icabalceta said when he took "refuge" in the general manager's office on 30 July.

Reluctantly, he said he had come to the airport to implement "order" and to assume all the responsibilities until a new manager was appointed. Icabalceta said he was looking for the "right person" and denied that Cespedes, current MCT secretary general, will be appointed airport manager.

Strike Ends, Troops Withdraw

PA0108225292 Managua BARRICADA in Spanish 1 Aug 92 p 8

[Text] The Augusto C. Sandino Airport resumed "normal" operations on 31 July after an indefinite strike was suspended and the soldiers maintaining control of the area were withdrawn.

The problem was solved after it was agreed that five people would be fired, including General Manager Tomas Urroz.

The agreement signed between Luis Aguirre, secretary general of the airport workers union, and Construction and Transportation Minister Jaime Icabalceta states that Urroz and the administrator, Maxima Luz Gonzalez, will be removed from office.

The workers demanded the removal of Public Relations Director Olga Maria Taboada, Operations Director Fatima Rodriguez, and Maintenance Director Carlos Araica, whom they described as being against the workers. This request was accepted by Icabalceta.

Santiago Altamirano, Minister Icabalceta's spokesman, said the minister had agreed to fire the three directors to ensure proper operations at the airport and to end the problems.

"Constantino Cespedes, secretary general of the Construction and Transportation Ministry, will assume the airport management duties for the time being," the spokesman said.

Foreign Cooperation Minister on Use of Funds

PA0108222392 Managua Radio Nicaragua Network in Spanish 1100 GMT 1 Aug 92

[Speech by Foreign Cooperation Minister Erwin Krugger at the first meeting of the Construction and Transportation Ministry with the international community at the Intercontinental Hotel in Managua on 30 July—recorded]

[Text] The country's peace efforts, the national reconciliation policy, the economic stabilization plan, and the efforts to reactivate the economy and to establish solid foundations for sustained development would not be possible without the valuable support of the international community. Within this context, we reaffirm that foreign cooperation is a matter of national interest that should be supported by all the economic, political, and social forces in the country, disregarding the daily political debates [words indistinct] a situation that is often

characterized by selfish interests that tarnish relations we should all take pride in cultivating. Foreign cooperation should benefit all Nicaraguans and requires everyone's commitment.

I must stress that the magnitude of the resources we have obtained so far proves the support that exists for our country's efforts and the international community's generosity toward Nicaragua. Naturally, it is also mandatory that these funds be used efficiently to cover the nation's most urgent needs. Consequently, the challenge of obtaining as many funds as possible goes hand in hand with the challenge of using those funds rationally.

Within that framework, many countries and institutions have voiced their concern about the effective coordination of foreign cooperation. We fully share this concern. This is basically the responsibility of the agencies in charge of implementing projects, and of national institutions in general. We also appreciate the support to our efforts received from the international community.

Cesar Requests Official Audit of Legislature

PA0108134492 Managua LA PRENSA in Spanish 30 Jul 92 p 16

["Text" of letter from Legislative Assembly President Alfredo Cesar to Comptroller General Guillermo Potoy, in Managua; date not given]

[Excerpt] [passage omitted]
Guillermo Potoy A.
Comptroller General of the Republic

Dear Mr. Potoy:

Based on the corresponding laws, I hereby request an audit of the Legislative Assembly's funds disbursed during the period 10 January 1991, date when the undersigned assumed the presidency of the Legislative Power, to the present.

In addition, I would like to request that the audit be conducted by an independent prestigious accounting firm.

Sincerely,
[Signed] Alfredo Cesar Aguirre, Legislative Assembly President

Panama

Arnulfist Leader Calls Endara 'Historical Fraud'

PA0208183692 Panama City MAGAZINE DOMINICAL EL SIGLO in Spanish 2 Aug 92 p 19

[Article by Ruben Dario Diaz]

[Text] President Endara has turned out to be "a historical fraud" for Panamanians because he does not have Dr. Arnulfo Arias' way of governing with reach and scope. Dr. Arias governed and projected his social, political, and economic actions to benefit the poor and the Panamanian nation, Professor Hector Penalba, Arnulfist Party leader, stated.

The statements by the Arnulfist political leader originate from the social justice demands of the rank and file. President Endara's attitude is to dismiss his fellow party members if they disagree with him, which goes against the law and human liberty.

"We fought against a tyranny in the last four years of Noriega to fall into another state of intolerance and persecution that Endara is unjustly practicing against the Arnulfists," Penalba stressed.

According to Professor Penalba, Arnulfism results from its opposition to militarism and the oligarchy and its definition of nationalism. It turns out Endara is governing in an faulty manner, which goes against the historical principles of Arnulfism in this country. That is why "I call him a historical fraud," for lacking the civic, grassroots, and Panamenist example that Dr. Arias left to the Panamanian nation, Penalba stated.

Penalba insisted on the need to revise President Endara's cabinet, given the strong differences among cabinet members. They have not met the needs of the people so it is necessary to give more participation to the Arnulfist rank and file.

Professor Penalba explained that the social and economic problems have not been solved, citing as examples the problem of Colon, the 13th month bonus for workers, the banana plantations, the Chorrillo homeless, and San Miguelito Hospital. In other words, a strong political storm is imminent. For the sake of the country, the affairs of state should be oriented toward improvement with an administrator with a strong desire and political willingness to make rectifications. This is not done because President Endara does not possess the drive and firmness of Dr. Arnulfo Arias Madrid.

Professor Penalba concluded by stating the Arnulfists made Endara president to govern and not give power away. They made him president to exercise power on behalf of and inspired by Dr. Arias, but he has done the exact opposite. That is why President Guillermo Endara "has turned into a historical fraud."

'Subversive' Group Issues Proclamation on Attack

PA3107163492 Panama City EL PANAMA AMERICA in Spanish 31 Jul 92 p 1

[Report by Orlando Mendieta]

[Excerpt] The Sovereign Panama Patriotic Front (FPPS) on 30 July claimed responsibility for the attack on the Finance and Treasury Ministry. Meanwhile, a report by President Guillermo Endara's Security Council indicated that former Captain Jorge Eliecer Bernal is in Costa Rica and might be planning some type of subversive action.

In a proclamation aired by local stations, the FPPS announced that by setting off the explosive device, it is beginning a series of actions "so the country will obtain honest leadership and not be governed by political parties that are traitors and thieves."

The FPPS added that it is joining with the Front for the Liberation of Panama and other organizations whose names it will reveal later, to struggle against the government.

According to the proclamation, the FPPS does not have the objective of harming the Panamanian people but it is carrying out these actions because the government continues to doubt its existence. It added that it does not stage attacks where children and women are located.

The National Police reported on 30 July that the explosion was caused by an explosive device incapable of producing extensive damage.

The FPPS proclamation was read by a person calling himself Esteban Huertas [Panamanian independence hero], who threatened to seize power on 3 November [independence day]. [passage omitted]

Official Says Extradition Problems 'Political'

PA3107162992 Panama City Radio KW Continente in Spanish 1200 GMT 31 Jul 92

[Report by Urania Cecilia Molino]

[Text] Deputy Foreign Minister Raul Mulino stated that the failure to have officials from the past dictatorship with pending charges in Panamanian courts returned to the country is political in nature.

[Begin recording] [Mulino] Unfortunately, the results are not positive, which was expected.

[Unidentified reporter] Why?

[Mulino] These are matters that have a strong political undertone. Panama has the right to request the extradition of these people. The country that gave them asylum, however, has the right to approve or disapprove the request for extradition. [end recording]

The deputy foreign minister stressed that the Foreign Ministry can only follow the formal procedures in these cases. He added that the unresponsiveness of the countries that gave asylum to these people has deteriorated our diplomatic relations. Mulino asserted that Peru, with which Panama has broken diplomatic relations, is an example of this situation.

[Begin recording] [Mulino] The Foreign Ministry, of course, has followed up its petitions for extraditions made at the request of the Attorney General's Office. One of these cases is Peru and the results have been, indeed, regretful as they triggered the deterioration of our relations with Peru.

[Unidentified reporter] [indistinct question]

[Mulino] Panama does not have diplomatic relations with Peru. [end recording]

After the December 1989 invasion, many officials from the past regime escaped Panamanian justice by taking refuge at several embassies and later requesting political asylum.

Judge Fired for 'Negligence' in BCCI Case

PA0108221892 Panama City EL PANAMA AMERICA in Spanish 1 Aug 92 p 1

[Report by Juan Pritsiolas]

[Text] The First Superior Court of Justice dismissed Fourth Civil Judge Ramon Palacios on 31 July as it considered he had acted with "inexcusable negligence" and in a "malicious" manner in the procedures to liquidate the Bank of Credit and Commerce International (BCCI) and by authorizing the payment of approximately $4 million to U.S. account holder Jerry Lee Harvey.

Palacios is the second civil judge involved in the Harvey case to be fired. The first was Anastacio De Leon in 1991.

The ruling stressed that Palacios had carried out "alleged personal investigations that do not appear in the case file" and had falsely determined that another court had lifted the embargo placed on Jerry Lee Harvey's account.

Palacios conducted out of court investigations on Harvey's legal status that concern only the criminal court. Based on his conclusions, the fourth civil judge ordered that the embargoed money be given to whom he determined was the real Jerry Lee Harvey.

Industrialist Oscar Navarro, who has sued Harvey for nonpayment of promissory notes that amount to millions, has charged that the U.S. citizen presented by lawyers Omar Elias Solano and Javier Solis as Jerry Lee Harvey was an impostor and that Judge Palacios had authorized this impostor to withdraw the millions embargoed in the BCCI.

This week the Supreme Court of Justice objected to the behavior of Sixth Civil Judge Eduardo Rios for approving a compensation agreement worth 13 million balboas between the Fernandez Espina business group and Banco Interoceanico liquidators.

Previously, two first penal court officials had been fired for their decision to hold under house arrest [medidas cautelares] former Prosecutor Carlos Villalaz and former military officers Marcos Justine and Rafael Cedeno.

City Municipal Police Corps Established

PA0108133792 Panama City LA ESTRELLA DE PANAMA in Spanish 31 Jul 92 pp 1, a2

[Report by Esperanza Navarro Francoises]

[Text] The high crime rate in country has prompted the Panama City Mayor's Office to establish a police force. This police force will be trained to prevent crime and to give the public specialized service.

Anibal Ramos, the project's legal adviser, stated the Municipal Immediate Police Center (CAI) [Centro de Policia Inmediata Municipal] will initially employ about 40 young people ranging between the ages of 21 and 28.

Ramos said that 50 young people are currently undergoing training. Based on their aptitude and ability, 40 will be admitted and the rest will be held in reserve for the second program.

The personnel were selected after the entry requirements were fully met and evaluated. These are: a high school diploma with emphasis on science, business, or a technical career; psychological tests; drug tests; and a clean police record.

According to Ramos, CAI members will begin earning $350 a month—$45 more than the regular police.

"The decision to pay them an adequate salary is to avoid a repetition of past anomalies (corruption) and to motivate them to work more efficiently, conscientiously, and honestly," Ramos underscored.

According to Ramos, for two weeks the municipal police received physical and theoretical training at the Police Academy (ACAPOL) in Gamboa.

Among the subjects taught were the administrative code, human rights, treatment toward minors, and practical materials, among others.

The CAI is the first armed corps of its type in Panama and will cover the San Felipe area. According to its organizers, if the idea is well received the program will be extended to other areas in the city.

The young municipal policemen will carry a .38 caliber revolver, a nightstick, and a pair of handcuffs.

In addition, they will have several substations equipped with First Aid supplies, a communication radio, and a fire extinguisher.

CAI currently has two vehicles donated by private businesses, as were the substations.

Municipal policemen are responsible for caring for municipal property (parks, streets, monuments), rendering assistance to members of the community, and supporting the National Police.

The municipal police are also authorized to detain criminals and refer them to the proper authority (National Police), who in turn will transfer them to the appropriate department according to the crime committed.

CAI's central offices will be located on the Amador Causeway in a duplex the Panama City Mayor's office rents from the Housing Ministry.

U.S. Ambassador Called 'Power Behind the Throne'

PA0208161792 Panama City LA ESTRELLA DE PANAMA in Spanish 2 Aug 92 p A4

[From the "Bitter Drops" column]

[Text] U.S. Ambassador Hinton seems to be the only person at this time that still refers to the 20 December invasion as a "liberation." No other U.S. citizen (journalist, professor, congressman, senator, public official, and so forth) says such a thing.

Oh well, there are still some people here who agree with him. That is why the people affected by the invasion and the people harmed by all the looting that was allowed, will not receive a single nickel in compensation.

To justify his participation in national security meetings (and others), Hinton claims he wants to see if the loans and donations made to Panama are being correctly spent.

If this were true, we would have to set up an office for several ambassadors in the Office of the Comptroller General because Washington is not the only government that has granted loans or made donations to Panama. He does not want to admit (because he is so modest) that "he is the power behind the throne."

Government, Mexico Normalize Diplomatic Relations

PA3107183892 Panama City EL PANAMA AMERICA in Spanish 31 Jul 92 p 12C

[Report by Arnulfo Barroso Watson]

[Text] On 30 July, Panama and Mexico fully normalized their diplomatic relations after the Mexican embassy charge d'affaires requested, on behalf of the Mexican Government, approval of new Mexican Ambassador Ignacio Gutierrez Pita.

A press note from the Panamanian Presidency indicated that Acting Foreign Minister Jose Raul Mulino accepted, on behalf of the Guillermo Endara government, the Mexican request.

The governments of Guillermo Endara and Carlos Salinas de Gortari differed on views regarding the U.S. invasion of Panama, the delay in the granting of a safe-conduct for former National Bank manager Rafael Arosemena, and Endara's remarks accusing the Institutional Revolutionary Party of participating in electoral fraud.

Panama's ambassador to Mexico will be former Agricultural Development Minister Ezequiel Rodriguez. He was appointed months ago but had not taken office because he had to wait for Mexico to request Panama's approval of its ambassador.

Mexico withdrew its ambassador to Panama even before 20 December 1989 to protest the actions by Manuel Antonio Noriega, then commander of the former Defense Forces.

Bolivia

Permission for U.S. Troop Entry Suspended

PY0108211492 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1920 GMT 1 Aug 92

[Text] La Paz, 1 Aug (AFP-NA) The Bolivian Government—through the Foreign Ministry—on the night of 31 July announced it was temporarily suspending permission for the entry of a new contingent of U.S. military personnel into Bolivia. The mission of the U.S. personnel is to carry out civic works in Bolivian territory.

The Foreign Ministry points out in a communique published by the local press today that the government decision will be reviewed after Congress returns from recess on 6 August and legislators study new regulations for civic work programs in the country.

Political analysts think the government decision is aimed at stemming a congressional move to censure Foreign Minister Ronald MacLean, Defense Minister Alberto Saenz, and Interior Minister Carlos Saavedra for allowing the entry into the country of 123 U.S. military personnel in June without congressional approval.

The U.S. personnel from the Fort Bragg 37th Engineers Battalion based in North Carolina were charged by civic leaders of Santa Ana del Yacuma, in the Bolivian Amazon region where they are stationed, with having brought radioactive waste to bury in that region.

Defense Minister Saenz denied the charges and took reporters to the region so they could receive detailed information and report on the civic works the 124 [as received] U.S. military personnel were carrying out in the region.

Despite the clarification, the Foreign Ministry communique saw the need to explain that Congress will review the civic works program during August to seek a better definition of the type or works to be carried out, the number of people that are necessary, and the time foreign troops will stay in the country.

Interior Minister Carlos Saavedra agreed with the Foreign Ministry and recognized that "the work of U.S. troops and DEA agents are a cause for concern in the country, and current regulations need to be reviewed in order to avoid the present controversies over their presence in the country."

Saenz on U.S. Troops' Nonmilitary Role

PY3107193292 La Paz Television Boliviana Network in Spanish 1700 GMT 31 Jul 92

[Text] The defense minister has emphasized that U.S. troops are performing only community service tasks here.

Defense Minister Alberto Saenz Klinsky has pointed out that the national Congress must authorize the transit of foreign troops. He added that in Bolivia's case this contigent of foreign military men is conducting humanitarian, training, and community service work only.

[Begin Saenz recording] The transit of foreign troops means for a time... [corrects himself] means that the troops cross... [pauses] You must remember that during the Malvinas War, British troops requested permission for the transit of their troops... [hesitates] in airspace and over territorial waters, right? Therefore this movement of troops must be authorized by Congress. This is very clear. There are other tasks, as I explained to you during yesterday's news conference, such as community services, humanitarian work, civil defense, and other types of work, such as training. The Constitution is not very clear about that. This is why there are certain faults. I have been saying that for 25, 30 years the Armed Forces have been conducting community service tasks, and military men come, and we work together with them. [end recording]

Diplomatic Status Not Extended to DEA Agents

PY0108154792 La Paz Radio Fides Network in Spanish 1100 GMT 1 Aug 92

[By Nicolas Sanabria Garron]

[Text] The Bolivian Government will not grant diplomatic status to the U.S. DEA agents who are in the country. President Jaime Paz Zamora yesterday contacted the media and emphasized that within the framework of its sovereignty Bolivia has full power to decide whether or not to grant diplomatic status. He did not dismiss, however, that a request for diplomatic status for one or two high-ranking DEA officials might during their permanent stay in the country be examined by the Foreign Ministry and [words indistinct].

Bolivia is a sovereign country, and can grant diplomatic status to certain people, such as in the case of the PLO representative. Paz Zamora reasserted that DEA agents are not diplomats.

Drug Trafficking Extradition Accord Sought

PY3107183192 La Paz Radio Fides Network in Spanish 1100 GMT 31 Jul 92

[Excerpts] In view of the U.S. Embassy demands, the Foreign Ministry has formalized requests for the extradition of two alleged drug traffickers from Bolivia. [passage omitted]

The Foreign Ministry formally requested from the Supreme Court of Justice the extradition of Mauricio Rosales and Rolando Suarez Landivar, alias El Negro, as requested by the U.S. Embassy. The embassy is not, however, satisfied with these requests.

Official Supreme Court of Justice sources have reported that within the next few hours the embassy will also request the extradition of alleged drug trafficker (Ronald Iriarte), aka Richard Lopez, to be tried—like Rosales and Suarez Landivar—in U.S. courts. The embassy also

requested that the Supreme Court order Rosales' and Suarez' preventive arrest while steps for their extradition are being taken.

Supreme Court of Justice President Edgar Oblitas Fernandez, as well as most of the other justices, will not comply with requests for the extradition of Bolivians to the United States until a bilateral agreement specifically on drug trafficking cases is signed with the U.S. Government. [passage omitted]

Brazil

Committee Still Hearing Secretary's Testimony

PY3107202892 Rio de Janeiro Rede Globo Television in Portuguese 1600 GMT 31 Jul 92

[Text] Secretary Sandra Fernandes de Oliveira has presented no evidence that the loan former Presidential Secretary Claudio Vieira allegedly obtained in Uruguay was a fraud. The secretary today testified before the Congressional Investigating Committee [CPI] that is looking into charges against Paulo Cesar Farias.

Fernandes de Oliveira has reported that she is secretary of the ASD [Alcides dos Santos Diniz] Empreendimentos e Participacoes enterprise, which belongs to businessman Alcides dos Santos Diniz, and that in this position, she closely followed the so-called Uruguay Operation. She said she realized that documents to be used in the defense of former Secretary Claudio Vieira were being prepared in the ASD offices. According to Oliveira, the work was being conducted in a tense atmosphere. Fernandes de Oliveira asserted that she was an intermediate in the telephone contacts between Ambassador Marcos Coimbra, former Secretary Claudio Vieira, Bank of Brazil President Lafayette Coutinho, and Paulo Cesar Farias. In view of these calls, she became suspicious and began to pay attention to the entire process.

[Begin Fernandes de Oliveira recording] I only heard that this contract could not be drafted by me for practical reasons, because I do not speak English. Apparently, the contract was being prepared outside, in the other office. I understood it would be drafted at the office of Dr. Walder Sarquis Rolac—because they—I repeat—they speak English fluently and also operate the microcomputer, the word processor. All lawyers there do. I understood that it would be drafted in his office. [end recording]

Secretary Sandra Fernandes de Oliveira's testimony has not ended yet. Here is a live relay by reporter Derlis Ortiz from Brasilia:

[Ortiz] Fernandes de Oliveira's testimony already has lasted two and one-half hours. She is testifying in the company of a doctor. Her testimony is very detailed. It contains names, dates, and hours. She said that on 15 July, she received a fax from former Secretary Claudio Vieira with the Brazil's Garden account numbers, and that after the fax, the loan contract with Alfa Trading began to be drafted.

A short while ago, government leader Senator Ney Maranhao harshly criticized Fernandes de Oliveira, whom, he said, is at the Workers Party's service.

Right now, the debate continues. [end relay]

Seeks 10-Day Extension

PY0108183892 Madrid EFE in Spanish 1758 GMT 1 Aug 92

[Text] Brasilia, 1 Aug (EFE)—According to information released in Brasilia today, the Congressional Investigating Committee [CPI] which is looking into the "Farias affair" has asked for a 10-day extension of the deadline for finishing its work. The conclusions of the CPI will lay the foundations for the impeachment of President Fernando Collor.

The main reason for extending the deadline is the many charges of alleged corruption brought against President Collor.

CPI coordinator Senator Amir Lando stated that he needs 20 days for the final analysis of documents and statements by witnesses and to draw up the conclusions, which he will only be able to deliver by 21 August, 10 days later than the original deadline.

It is up to the leadership of the two congressional chambers to decide whether to extend the deadline, and it is possible that it will be granted because of the independence and credibility displayed by Lando, despite the fact that he belongs to the largest opposition party, the Brasilian Democratic Movement Party (PMDB).

The CPI was installed on 1 June, and its mandate has already been extended by 41 days, up until 11 August, in view of the shower of charges of obscure dealings by members of the administration allegedly involving President Collor.

Ruling parties have indicated that they will agree to extend the deadline for the final report by only six days more, until 17 August. They feel that a further delay would harm them, because the campaign for the municipal elections on 3 October begins on 17 August.

Collor 'Would Rather Die Than Leave Office'

PY3107163692 Madrid EFE in Spanish 1515 GMT 31 Jul 92

[Text] Brasilia, 31 Jul (EFE)—The newspaper FOLHA DE SAO PAULO reported today that Brazilian President Fernando Collor stated on 31 July that he would rather die than leave office, adding, however, that he will not commit suicide under the pressure that is being applied to force him to resign.

According to FOLHA DE SAO PAULO, Collor promised that he would not resign and would serve his full term in office, which is due to end on 1 January 1995. He also told his advisers in private that he will not commit suicide, either.

"I do not take after Getulio Vargas," Collor said, referring to a populist president who chose—in the face of a serious political crisis and lacking the support of the military—to commit suicide on 24 August 1954.

During a reception Collor held on 30 July for Minas Gerais State politicians, the president confirmed that he will serve his term in office in full, and expressed sadness at being the target of the political scandal unleashed by charges of government corruption.

According to some of the politicians who attended the reception, the president claimed to have enough strength of spirit to endure the suffering and to forgive his political adversaries, especially those from the Workers Party [PT], which is led by Luiz Ignacio Lula da Silva, Collor's rival in the runoff elections in 1989.

The president said that PT wants to wreak vengeance through the Congressional Investigating Committe (CPI), which is looking into Collor's involvement in corruption, because this party has been unable to accept the defeat experienced on 17 December 1989.

FOLHA DE SAO PAULO reported that as far as Collor is concerned, the efforts of the opposition to impeach him after 11 August, when the CPI will conclude its work, are just a huge maneuver to weaken him.

According to this report, former Sao Paulo Governor Orestes Quercia, who is the current president of the largest Brazilian opposition party, the Brazilian Democratic Movement Party (PMDB), is seeking to weaken the government to obtain political gains.

Joaquin Francisco, governor of Pernambuco State and a leader of the Liberal Front Party, the largest in the government coalition—a Collor ally until a very short time ago—has joined those who are calling for the president's resignation, and has criticized politicians who are still backing the administration.

Two other state governors called for Collor's resignation some weeks ago: Roberto Requiao from Parana State, and Ciro Gomes from Ceara State.

Collor, Aides Discuss Impeachment Maneuvering

'Operation' To Rebut Witness

PY3107154492 Rio de Janeiro O GLOBO in Portuguese 30 Jul 92 p 3

[By Helena Chagas]

[Text] The government yesterday launched a swift operation to refute secretary Sandra Fernandes de Oliveira's charges. The operation began less than one hour after Senator Eduardo Suplicy (Sao Paulo Workers Party) announced from the Senate's rostrum that he had a witness to disprove former presidential secretary Claudio Vieira's testimony. Informed by government leaders late in the morning that Suplicy would present the witness in the afternoon, Social Action Minister Ricardo Fiuza and Government Secretary General Jorge Bornhausen received a fax from Fernandes de Oliveira's boss—Arsenio Duarte Correia, a lawyer who is an expert in tax legislation—disavowing his secretary's charges. They then sent the fax to Congressional Investigating Committee President Benito Gama.

Initially frightened, the senators supporting the government admitted that if Suplicy's evidence were true, there would be no way to maintain Collor's administration in office.

If all that is true, it may cause Collor's definitive fall, but if it is a lie, Suplicy's chances as a candidate are over, Senator Guilherme Palmeira (Alagoas Liberal Front Party) said.

The government supporters were, however, immediately informed of Correia's fax, and began reporting it at practically the same time talk was being spread that Suplicy had a key witness against Claudio Vieira. According to leaders Luiz Eduardo Magalhaes and Marco Maciel, the message contained in the fax was similar to Vieira's: He had merely consulted the lawyer on his legal opinion regarding a financial operation conducted in Uruguay.

Maciel asserted: Vieira consulted the lawyer on the contract, and he gave Vieira his legal opinion. Nothing more than that.

Strategy To 'Neutralize' Impeachment

PY3107161092 Rio de Janeiro O GLOBO in Portuguese 30 Jul 92 p 2

[By Tereza Cruvinel; from the "Political Panorama" column]

[Text] Even with the commotion caused by the appearance of a new witness, secretary Sandra [Fernandes de Oliveira], which will be evaluated today with her testimony before the CPI [Congressional Investigating Committee], the government continues with a strategy aimed at neutralizing a possible impeachment [preceding word in English] of the president of the Republic.

A meeting to be held tomorrow will mainly concentrate on the need to consolidate the base of government support, avoid dissatisfaction, and prevent any attempt by the opposition to divide the government. During the meeting, government economic officials will analyze the delicate political situation. The meeting will be attended by Economy Minister Marcilio Marques Moreira and his team, Transportation and Communication Minister Afonso Camargo, Mines and Energy Minister Marcos

Vinicius Pratini de Moraes, Government Secretariat General Minister Jorge Bornhausen, and Social Action Minister Ricardo Fiuza.

A Planalto Palace source said: We will not violate the budget, but it will be politically administrated. It added that the Liberal Front Party and the political parties supporting the government will now have their allocations, and that there will be money for governors, but not for those who obtain allocations and continue attacking the government. Ciro Gomes from Ceara is mentioned as an example.

The government will need just 168 votes to prevent the impeachment [preceding word in English] process. Bloc leaders claim to have 250 votes. But at this point it is necessary to prevent desertions, and the government is concerned about that.

Meeting Plans Impeachment Prevention

PY0108185092 Rio de Janeiro O GLOBO in Portuguese 31 Jul 92 p 8

[Text] Brasilia—An operation aimed at ensuring a stable government-supporting majority for 120 days, to prevent the approval of a request for Collor's impeachment [preceding word published in English], will begin to be put together today in a meeting among Collor and Ministers Ricardo Fiuza (social action), Affonso Camargo (transportation and communications), Marcilio Marques Moreira (economy), Pratini de Moraes (mines and energy), Jorge Bornhausen (government secretary general), and Antonio Cabrera (agriculture), the Economy Ministry national secretaries, and the presidents of the Central Bank, Federal Savings Bank, Bank of Brazil, and National Bank for Social and Economic Development.

The criteria for the disbursement of budget resources to be invested in the social sector, which will give prestige to governors and congressmen who support the government, will also be discussed at Planalto Palace.

The meeting is scheduled to begin at 0900. The ministers will also discuss with Collor the programs to finance next year's harvest, and programs for investment in infrastructure, transportation, and communications. Economic Policy National Secretary Roberto Macedo will open the meeting by reporting on the economy's performance in 1992.

Government Seeks Deputies' Support

PY0108192492 Rio de Janeiro O GLOBO in Portuguese 31 Jul 92 p 8

[Text] Brasilia—Knowing that the 127 votes of the governing PFL-PRN [Liberal Front Party-National Reconstruction Party] bloc are not enough to prevent the approval of an impeachment process, Minister Jorge Bornhausen has asked the leaders of the allied parties, the PDS [Social Democratic Party], PTB [Brazilian Labor Party], PDC [Christian Democratic Party], and PL [Liberal Party], to have an evaluation of their position ready for a meeting on 4 August in Planalto Palace. The government, which for days has been working hard to please its allies, is worried by the splits in the PDS and PL. The situation is more calm in the PTB and the PDC.

The four parties can together obtain 110 votes, which added to the progovernment bloc surpass the 168 votes necessary (a third of the total seats in the Chamber of Deputies) to defeat an impeachment petition. However, Planalto Palace does not want to run any risks, and it began an operation to guarantee the unity of the allies—or at least the support of a safe amount of deputies.

The PDC, for example, should choose the next housing secretary, because it is currently holding talks with the government and it tends to support it. The PDC has 19 seats. The greatest problem lies in the PDS, whose 41 deputies are totally split in face of the charges raised against President Collor. Former PDC leader Victor Faccioni yesterday said: "Let us stop fighting chicken thieves and anonymous public employees. The higher the post, the higher the responsibility."

Espiridiao Amin, the PDC leader in the Senate, was also dissatisfied with the lack of explanations of the ghosts who made deposits in Ana Acioli's accounts. "The contract made in Uruguay is a secondary matter. It does not explain the existence of ghosts or the results of the handwriting test of Secretary Rosinete," Amin said.

Deputy Ricardo Izar, leader of the PL, which has 17 deputies, reported that his bloc is divided, and he cannot guarantee support for the government. Izar is already being courted by Planalto Palace. During a dinner which took place two days ago in honor of Minister Bornhausen, Izar's place was moved from a table at the end of the dining hall to at the right of Bornhausen.

Bornhausen: Collor To Be 'Spared'

PY0108034492 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 31 Jul 92 Political Section p 8

[Text] Brasilia—Minister Secretary of Government Jorge Bornhausen yesterday said that if the final report of the CPI [Congressional Investigating Committee] investigating Paulo Cesar Farias is of a legal nature President Fernando Collor will be spared. "The government is sure of that," Bornhausen said in Congress after meeting with Senate President Mauro Benevides in order to brief him on the government decision to convene the Council of the Republic during August to discuss the fiscal adjustment program. Bornhausen refused to comment on the CPI, but stressed that the loan obtained in Uruguay by Collor's former private secretary Claudio Vieira was "legal." Bornhausen said he received reports that Vieira's second round of testimony was "very good."

Bornhausen: Impeachment 'Inevitable'

PY0108121992 Madrid EFE in Spanish 0707 GMT 1 Aug 92

[Excerpt] Brasilia, 1 Aug (EFE)—Brazilian President Fernando Collor was informed by his minister of government that his impeachment, promoted by the opposition political parties for alleged charges of corruption, is "inevitable."

During a meeting held yesterday among the ministers of the political and economic fields, Jorge Bornhausen, 53, minister of the secretariat general of the presidency, told Collor that he should prepare himself for an impeachment process that will begin when the Congressional Investigating Committee, CPI, concludes its investigations about the "PC [Paulo Cesar] Farias case" next 11 August.

Although the meeting was secret, the Bandeirantes Television Network learned details about it and revealed them to the public on its main evening newscast on 31 July.

Bornhausen told the chief of state that although it is impossible to frustrate the impeachment process given the many charges of corruption raised against him, the executive branch may prevent the approval of the impeachment by granting its political allies certain concessions.

According to Bornhausen, these "concessions"—public works projects that will provide political benefits for government coalition congressmen who have become critical of the president under the weight of the corruption charges and who may join the opposition—must be administered by the Ministries of Social Action, Transport and Communications, and Mines and Energy.

Economy Minister Marcilio Marques Moreira said that, although the budget allocations are already established, they may be transferred to the fields wherever necessary in order to frustrate the impeachment process.

Collor asked his ministers to swiftly find a formula to make the few public resources available compatible with the requests of the government coalition deputies and gave them until 3 August to find a satisfactory solution.

Government strategists believe that the impeachment process can be prevented during the first round of votes in the Chamber of Deputies, which can only become prosecutor of the process with two- thirds of the votes of its 503 members.

According to the Constitution, with 168 votes the president may be freed from an impeachment process which could last six months and which analysts believe will worsen the economic situation, which is already at unbearable levels because of the the recession and unemployment rates. [passage omitted]

Presidential Spokesman Resigns After Dispute

PY0208003892 Rio de Janeiro Rede Globo Television in Portuguese 2300 GMT 1 Aug 92

[Text] Presidential Public Relations Secretary Pedro Luiz Rodrigues has resigned.

Rodrigues really resigned on 28 July but he was still acting at the post. This morning he participated in a meeting at Planalto Palace where President Fernando Collor and three ministers discussed the use of funds for government publicity. The publication of a Petrobras [Brazilian Petroleum Corporation] advertisement in VEJA magazine irritated President Collor. Rodrigues had a tense discussion with the president over the subject and then decided to hand his letter of resignation to Presidential Secretary General Marcos Coimbra.

Rodrigues did not want to comment on the affair. The diplomat said that after a new public relations secretary is appointed he will return to the Foreign Ministry.

Rodrigues, a diplomat and journalist, replaced Claudio Humberto Rosa e Silva as Planalto Palace spokesman. Prior to that, Pedro Luiz Rodrigues worked as an adviser to Finance Minister Marcilio Marques Moreira. He defined his work at the Presidency with the slogan: Firm, but polite.

Sarney, PMDB Leaders Discuss Collor Impeachment

PY3107162492 Rio de Janeiro O GLOBO in Portuguese 30 Jul 92 p 7

[Text] Brasilia—PMDB [Brazilian Democratic Movement Party] leaders met at the house of Chamber of Deputies President Ibsen Pinheiro (RS) [Rio Grande do Sul] into the early morning hours yesterday to begin discussing President Fernando Collor's impeachment [preceding word in English]. The meeting was attended by former president and current Senator Jose Sarney. There was agreement that no single political party should file the charges of malfeasance against Collor—a position on which opposition party presidents had agreed hours before. Senate and Chamber of Deputies political leaders have reported that their blocs would cast a united vote for impeachment.

The Collor government political crisis has brought about a meeting between Sarney and the PMDB leadership. Sarney was elected senator for Amapa under the PMDB banner, but did not maintain close links with the party—until yesterday. For nearly four hours Sarney, PMDB President Orestes Quercia, Chamber of Deputies President Ibsen Pinheiro, Senate President Mauro Benevides, and political leaders Genebaldo Correia, Humberto Lucena, and Ulysses Guimaraes discussed how to proceed with the impeachment. PMDB representatives in the CPI [Congressional Investigating Committee] on PC [Paulo Cesar Farias] also participated in the meeting.

Quercia briefed those present about his meetings with opposition party presidents, and Sarney talked about his meeting with PSDB [Brazilian Social Democracy Party] President Tasso Jereissati.

"There is a unanimous feeling that we must vote on impeachment [preceding word in English]," Quercia said.

Sarney spoke about the international repercussions of the crisis, and agreed with Guimaraes that the impeachment [preceding word in English] process must be carried out in a way so as to avoid increasing the public's anxiety.

"We cannot get lost in proceedings, or 'leave loopholes,'" Guimaraes said.

Part of the meeting was dedicated to revelations about Collor's involvement with PC. According to one of those present, each participant had a story to tell, and there was even a dispute over who was telling the most striking story.

"If we tell all that we know, we will create a climate of anxiety. It is better to leave everything for Senator Amir Lando's report," one of the PMDB leaders said.

Opposition Plans Anti-Collor Demonstrations

PY0308132892 Madrid EFE in Spanish 0650 GMT 3 Aug 92

[Excerpt] Rio de Janeiro, 3 Aug (EFE)—Opposition parties and unions are trying to repeat the campaign in which millions of Brazilians supported democracy during the last military government, this time to ask for the resignation of President Fernando Collor.

While the Congressional Investigating Committee [CPI] is concluding its work on the serious charges of corruption and influence peddling—allegedly involving the president—demonstrations have been organized in several major cities this week to demand the replacement of the president.

Mauricio Fruet—of the majority Brazilian Democratic Movement Party (PMDB)—who in October will run for mayor of Curitiba, the capital of Parana, yesterday reported that the main opposition leaders will attend a demonstration scheduled for 7 August in downtown Curitiba.

Fruet said that, among others, the following leaders have promised to attend: Deputy Ulisses Guimaraes, who is an old PMDB leader; Workers Party (PT) President Luiz Inacio Lula da Silva; Brazilian Social Democracy Party (PSDB) President Tasso Jereissati; Parana Governor Roberto Requiao (PMDB); and Ceara Governor Ciro Gomes (PSDB).

Fruet explained that he hopes that Brazilians will demonstrate to demand the resignation of the president, as they did when they demanded presidential elections during the "Direct Elections Now" campaign, set in motion in the last year of the government of General Joao Figueiredo. This campaign began in Curitiba in January 1984.

Fruet said that all social classes should unite "in a great national demonstration to remove Collor from power, because he can no longer govern the country."

Like Fruet, who is a centrist politician, United Federation of Workers (CUT) Secretary General Gilmar Carneiro dos Santos also wants the demonstration that the CUT has organized for 8 August—at Sao Paulo's downtown Praca da Se—to be a great protest action against President Collor.

Dos Santos said that the CUT has invited politicians of various leanings like Sao Paulo Governor Antonio Fleury (PMDB), Jereissati, Lula, the other labor centrals, and businessmen of renown, among them Antonio Ermidio de Moraes.

These demonstrations have been accompanied by protests that have begun to appear throughout the country, like the one that leftists organized yesterday at a beach in Joao Pessoa, the capital of Paraiba state. The demonstration was headed by Olivio Dutra (PT), mayor of the southern city of Porto Alegre, who was wearing a T-shirt with the saying "Mr. President, leave us." [passage omitted]

Military Extends Courtesies to Vice President

PY3107220892 Sao Paulo VEJA in Portuguese 29 Jul 92 p 30

[Text] Vice President Itamar Franco has experienced sweet four-day interlude as president of the Republic. He was courted by the military ministers, visited by a group of 13 senators wanting "to express their appreciation," and even practiced a gesture likely from an effective president. On 22 July, he visited Embraer [Brazilian Aeronautics Company], a state-owned company manufacturing aircraft in Sao Jose dos Campos and which is semi- bankrupt. There are two points to be noted with respect to Itamar's 19th time as acting president. The first one: With President Fernando Collor besieged by charges, Itamar's prestige grew as demonstrated by the military courtesies and the senators' appreciation. The second one: The prestige also grew in Itamar's mind. During his four-day period as acting president, journalist Lucio Almeida Neves, Itamar's adviser, was the presidential spokesman. Diplomat Pedro Luiz Rodrigues, Collor's spokesman, was reduced to silence. A friend of the vice president said: "Itamar could not convey his viewpoints through someone who is the spokesman of a president involved in so many scandals."

During his period as acting president, Itamar was harsh with Ambassador Marcos Coimbra, the secretary general of the presidency, one of Collor's favorite advisers and Collor's brother-in-law. During an interview, Coimbra said Itamar had agreed with a proposal to force the

ministries to inform the government of all the secret reports submitted to the CPI [Congressional Investigating Committee]. In fact, Itamar talked to Coimbra on this issue, but just heard the proposal, and did not express an opinion on it. Upon reading the interview, Itamar called the secretary to his office and forced him to sign a denial.

The strangest action around the acting president involved the military ministers. As soon as Collor transferred the command to Itamar on 22 July at the Brasilia Air Force base, Aeronautics Minister Brigadier Socrates Monteiro invited the vice president to visit Embraer. A person close to the vice president said: "The invitation was extended more than a year ago, but the brigadier's persistence in getting Itamar there now can only be interpreted as a sign of support." When he, along with Brigadier Socrates, returned from his visit to Embraer, all other military ministers were waiting for Itamar at the Brasilia Air Force base. Itamar himself noted: "This never happened before." At the Air Force base, the military leaders guaranteed Itamar that, if the political crisis ends with the eviction of the president, they will champion his installment. It is idle talk. The military commanders are not the final arbiters of political crises, but must only discharge their duty of observing the constitutional provisions. The ministers' loyalty to Itamar could have another goal. In the face of the possibility of a change in leadership, they might be battling to remain in their posts.

PFL To Continue Supporting Government

PY0108171092 Rio de Janeiro O GLOBO in Portuguese 31 Jul 92 p 8

[By Helena Chagas]

[Text] Brasilia—Although the CPI [Congressional Investigating Committee] on the PC [Paulo Cesar] Farias case has yet not concluded its work, the main leaders of the PFL [Liberal Front Party] are certain that the party will continue supporting the government, and they are preparing to help President Collor defeat an imminent impeachment [preceding word in English] motion. The PFL leaders minimized the latest charges made against the defense of former presidential secretary Claudio Vieira. The PFL command will try, together with Planalto Palace, to capitalize on the radicalization of feelings in Congress following the presentation by secretary Sandra Fernandes de Oliveira by Senator Eduardo Suplicy (PT-SP) [Workers Party-Sao Paulo].

The tactic that will be used by the PFL command and the government to convince the rebel or hesitating congressmen is to take the issue to a political plane, demonstrating that the opposition is acting with electoral interests, and that the PT wants to overthrow Collor.

Such is the argument that ministers Ricardo Fiuza and Jorge Bornhausen, as well as PFL leaders Humberto Souto, Luiz Eduardo Magalhaes, and Marco Maciel used in all the meetings with the allies who are reluctant to continue supporting the government. That was the domineering tone during a luncheon held last 27 July between the PFL leaders and the CPI members in the house of Minister Fiuza.

"The war is now political; it is no longer a confrontation of legal arguments but a struggle for power," one of them said.

The PFL leaders believe that most of the PFL congressmen, except some isolated cases like Deputies Roberto Magalhaes and Jose Mucio, will stand behind the decision of the party.

The decision to continue supporting the government—something that may be reconsidered only if the CPI makes a totally unpredictable turn—was clearly established after Claudio Vieira testified before the CPI. According to a PFL member, the party needed an argument to justify its support for the government, and now it is not willing to give it up.

The PFL thus attempted to minimize facts such as the results of the handwriting test, which demonstrated that Rosinete Melanias, PC Farias' secretary, is "ghost" Flavio Mauricio Ramos. The presentation of secretary Sandra de Oliveira, who so far has not presented written evidence, is now being considered a positive fact for the government. According to PFL strategists, it could harm the credibility of nearly everything unearthed by the CPI regarding the "Uruguay operation."

"That secretary's story is fantastic. Everything is a lie. Such technical evidence was designed by the PT," Senator Odacir Soares (PFL-Roraima) said.

"All that is just detail. The truth is that there is a PT coup under way to overthrow the president," PFL leader Humberto Souto said.

PFL leaders admitted that the fact that Vice President Itamar Franco—an old opponent—is Collor's constitutional successor has helped a lot in making the PFL decide to continue supporting the government.

Pernambuco Governor Believes Collor Should Resign

PY0108202692 Rio de Janeiro O GLOBO in Portuguese 31 Jul 92 p 8

[Excerpt] Recife—Pernambuco Governor Joaquim Francisco, the first nationally prominent politician to support Fernando Collor's presidential candidacy, has suggested that the president should resign. He made these comments after confirming his uneasiness over the facts being disclosed by the Congressional Investigating Committee during its investigation of Paulo Cesar Farias' affairs.

When I approached a similar situation once, I resigned my position in order not to lose my dignity, said Francisco (Pernambuco Liberal Front Party).

In a speech delivered to Pernambuco State political leaders, the governor harshly criticized the Collor administration. He emphasized, however, that his criticism should not be viewed as a sign that they have broken relations. He also criticized the criteria used for the allotment of resources. He pointed out that while $600 million is allotted to Brasilia, "Pernambuco must make do with its own resources, which are the result of the proper administration of the state's public assets." [passage omitted]

Lawyer Reports Uruguay Operation Forgery

PY0108163092 Sao Paulo FOLHA DE SAO PAULO in Portuguese 30 Jul 92 Section 1 p 6

[By Chico Sa]

[Text] Planalto Palace, businessman Alcides dos Santos Diniz [ASD], and Bank of Brazil President Lafayette Coutinho put together an operation "to legalize" the $5 million loan allegedly obtained in Uruguay. The loan was the argument used by Claudio Vieira (Collor's former private secretary) in his attempt to protect the president from involvement with Paulo Cesar Farias [PC].

Valdo Sarkis Hallack, one of the four lawyers appointed by Diniz to put together the operation, told FOLHA DE SAO PAULO on 29 July: "On 6 July, Diniz and Correia (Arsenio Duarte Correia, who is the legal adviser of Diniz' company—the ASD Group) went to Brasilia. They had been summoned by Ambassador Marcos Coimbra (the presidency secretary general)."

Hallack added: "The following day I went to Brasilia. Our mission was to make the loan contract legal." The lawyer reported that he has been working with Diniz for many years, and thus could not refuse to carry out the mission. He said that he went to Brasilia the same day he returned from his holiday in Aruba. To be sure about the date he went to Brasilia, he withdrew his passport from his coat pocket to check the day he had returned from Aruba.

The lawyer, who is an expert on international law and foreign financings, continued: "We (Hallack and Correia) met with Ambassador Coimbra and Claudio Vieira at the former's home. I examined a copy of the contract and immediately pointed out a fault—the contract did not have the certification of the Brazilian Consulate in Montevideo, which is commonly known as 'consularization.' This is a mistake that is difficult to accept."

According to Hallack, the moment he pointed out this mistake, Lafayette and Coimbra asked whether it was not possible to obtain the certification "over the next few days." The lawyer then said that "it would seem extremely odd" to obtain the "consularization" (the consulate's certification) such a long time after the date of the loan, which had allegedly been granted in 1989.

According to Hallack, he indicated another way out to Coimbra—who was concerned about "the legality of the operation," and Coutinho—who was avid for a "political solution to the case." He then told them: "The second alternative is to seek confirmation that the operation occurred at the time (1989) and confirmation of the money flow."

On 8 July, the day after the meeting at Coimbra's home, Hallack, Correia, and Fernando Juca (Hallack's partner in the office that renders services to Diniz) left Sao Paulo for Montevideo. "We were asked to try to obtain in Uruguay documents proving that the operation had been conducted," Hallack said.

He added: "We talked to Ricardo Forcella (owner of Alfa Trading, the company that allegedly lent Vieira the money). Vieira already had told Forcella that we would look for him. He (Forcella) did not have documents on the operation, and called Bonifacino (Emilio Bonifacino, the broker responsible for the operation)."

When Bonifacino arrived, Hallack asked for details of the operation. Bonifacino said he had done the business "through exchange brokers," and that "for ethical reasons" he could not mention the exchange broker's name. Hallack added: "Bonifacino promised to find the slips (exchange contracts) and then send them to Brazil. We returned to Sao Paulo that same day."

A week after the trip to Montevideo, the lawyers hired by Diniz received in Sao Paulo the aforementioned slips (Hallack did not mention who delivered them), and returned to Brasilia for another meeting with Coimbra, Countinho, and Vieira.

Attorney Says Vieira's Contract 'Legitimate'

PY3107180992 Rio de Janeiro Rede Globo Television in Portuguese 2300 GMT 30 Jul 92

[Text] Attorney Fernando Juca, who has reviewed the text of the contract signed by Claudio Vieira in Uruguay, believes it is legitimate.

[Begin Juca recording] The contract was endorsed by a Uruguayan notary. As it is dated 1989, and as the Uruguayan Notary Center [Casa Notarial do Uruguay]—the organ that issues [words indistinct]—confirmed that the legal form used for the contract was issued in 1988, that is, before this deal was made, I have to believe that an individual who has the authority to attest to documents was telling the truth when he testified about this contract. [end recording]

Evidence Contradicting Vieira Report Appears

PY0108135792 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 31 Jul 92 p 5

[Text] Brasilia—The Congressional Investigating Committee (CPI) that is investigating charges against entrepreneur Paulo Cesar Farias, alias PC, has managed to obtain a second piece of evidence contradicting former private presidential secretary Claudio Vieira's report on the checks of "ghost clients" (persons using false names

and CPF [Individual Taxpayers Register] numbers) discovered in the account of President Fernando Collor's private secretary Ana Acioli. The CPI confirmed that the checks of two "ghosts"—Flavio Mauricio Ramos and Jurandir Castro Menezes—were used to pay for the rent of a house occupied by PC in Sao Paulo.

According to Claudio Vieira's version, the "ghosts" are a fiction concocted by megaspeculator [megaespeculador] Najum Turner. On 29 July Luis Misasi, the owner of the house occupied by PC, delivered to the CPI receipts and other documents confirming that the checks of the "ghosts" were used to pay for the rent. On 29 July a handwriting test requested by the CPI had already confirmed that Rosinete Melanias, PC's secretary in Sao Paulo, signed the checks of "ghost" Flavio Mauricio Ramos.

Laughs at the CPI

In his testimony before the CPI, Vieira again supported the theory that President Fernando Collor's personal expenses are being covered by a $3.7 million loan contracted in January 1989 for the electoral campaign, which finally ended up as a reserve fund because contributions made by entrepreneurs rendered its use unnecessary.

There was a moment when one of Vieira's responses made everyone laugh—even he smiled. When he was asked how he would repay the loan, extended in his name and with the president as one of its guarantors, Vieira said: "I hope to depend on President Collor."

According to Vieira, the loan was not declared to the revenue office because it did not represent any increase in wealth. Vieira said: "I made my report. I am not a tax lawyer. If there is any mistake with the Revenue Office, I take the responsibility."

Senator Amir Lando (Brazilian Democratic Movement Party-Roraima State), the CPI's spokesman, asked elaborate questions on a transaction with the Alfa Trading Company. Always ironic, Vieira gave an account of his relationship with dollar changer Najum Turner, to whom he was introduced by businessman Paulo Cesar Farias in April 1989.

Vieira said he chose Najum because PC—who had already done business with the dollar changer—recommended him. Lando asked: "Why gold? Vieira responded: "Because it was the best investment at that moment."

The former secretary confirmed that he knows attorneys Valdo Sarquis Hallack and Arsenio Eduardo Correa, who were accused by secretary Sandra Fernandes de Oliveira of mounting the "Operation Uruguay" to justify the funds involved in the president's expenses. Vieira also confirmed the holding of meetings at the house of Ambassador Marcos Coimbra, the secretary general of the presidency, as reported by the secretary. Vieira said, however, that these contracts were entered into because he and Coimbra believed it was necessary to consult attorneys—experts in international law—to hear their opinion on the contract signed with the Alfa Trading Company.

Secretary

Vieira was extensively questioned by the opposition congressmen to explain the reason for the existence of PC deposits for about 8 million cruzeiros in the account of Ana Maria Acioli Gomes de Mello, the president's secretary. Vieira said the deposits were made by the EPC [Construction Investment Enterprise], the company of a prominent friend, to settle a debt.

According to Vieira, PC was one of the few people, along with the guarantors—President Collor, businessman Luis Estevao, and Deputy Paulo Octavio, and dollar changer Najum Turner—who knew of the loan secured in Uruguay. PC also knew that the loan had been converted into gold. Vieira said he lent about seven kg of gold to PC—sometimes he talked about eight kg—and, because of an unexpected necessity, he was forced to ask PC to pay part of the debt by making the deposits. A debt which, according to Vieira, has already been entirely paid for.

Vieira tried in every way to disengage President Collor from what was happening in the bank accounts that covered his needs. Vieira then said he did not seek the president's authorization to make withdrawals, not even when he lent the gold to PC.

Vieira's Uruguayan Loan Papers 'Not in Order'

PY0108160492 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 31 Jul 92 p 4

[By Marcelo Faga]

[Text] Montevideo—There is evidence demonstrating that the contract for a $3.7 million loan obtained by Claudio Vieira from the Uruguayan firm Alfa Trading was not signed on 16 January 1989. The only official evidence that the contract was signed on the date declared by former presidential secretary Claudio Vieira before the Congressional Investigation Committee on the PC [Paulo Cesar] Farias case cannot withstand a simple consultation with Montevideo notaries.

The loan granted by Alfa Trading, a front firm which "launders" dollars in Uruguay, is the alibi invoked by Vieira in justifying the deposits used to pay since 1990 the expenses of the Casa da Dinda, the Collor family residence. The certificate validating the signature of Alfa Trading owner Ricardo Forcella is the only legal document in the contract that ought to prove the date it was signed.

The document drawn up by notary public Rodolfo Delgado in Montevideo legally recognizing Forcella's signature is not in order. According to Uruguayan laws, a notary public can only recognize as legal the documents

signed before his eyes. The contract signed between Vieira and Alfa Trading bears the date 16 January 1989, and the legal recognition of the signatures should bear the same date. However, there is serious evidence that those who signed the contract avoided compliance with all the legal proceedings, because it would have demonstrated that the document was signed on another date, which could even be some day of the present month.

One of the proceedings they sidestepped was the registration of the contract in the Brazilian consulate in Montevideo. There should be an official Brazilian seal, with its corresponding date, on the papers presented by Vieira.

The main irregular aspect of the contract, however, is in the certificate drawn by notary public Delgado. According to Uruguayan laws, the notarial document recognizing Forcella's signature should bear a seal and a stamp which proves payment for notarial services and contributions to the Notarial Social Security System which regulates the Uruguayan public register system.

The left margin of the document drawn by Delgado remains blank. According to Uruguayan law (Article 6 of the Notarial Fees Code), the notary should have placed his seal on the left margin to register the fees he charged and how much was paid to the social security system. By current levels, the notary's fees should have been 53,000 pesos, and the Notarial Social Security System should have been paid a minimum 9,800 pesos contribution.

The seal bearing the year 1989, which would demonstrate that the taxes were levied, is still missing. Uruguayan notaries consulted by O ESTADO believe that Delgado did not stamp the 1989 seal because he probably does not have one. The certificate was also written on an old form not in use any more. Until last year, an official form could be purchased by any individual for 750 pesos, less than a bus ticket price. As of 1992, each notary public must register public documents on forms on which his name is printed.

The old forms without the notary's name no longer have legal value. However, these forms are still kept by unscrupulous notaries to validate backdated documents. That is what the notarial form with N series numbers, the same one used by Delgado, demonstrates. The N series corresponds to forms issued in 1985 and 1986, which demonstrates that Forcella's signature was validated with a form older than the date of the contract.

'Uruguayan Connection' Protagonists Reviewed

PY0108181192 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 31 Jul 92 p 4

[By Marcelo Faga in Montevideo]

[Text] Montevideo—Notary Rodolfo Delgado has a questionable reputation. As of early last night he had still not been found to explain why his certificate witnessing the signature on the Alfa-Vieira contract is irregular. Delgado's professional record shows that he is an employee of Ancap [National Administration of Fuels, Alcohol, and Portland Cement], a government organization that produces and distributes oil by-products and cement.

Ten years ago, when Ancap's alcoholic beverages producting sector was privatized, Delgado was secretary of its board. At the time he purchased shares at lower prices in order to resell them, although Ancap employees were forbidden to do so.

The protagonists in Claudio Vieira's Uruguayan connection are: Delgado, exchange broker Emilio Bonifacino, also known as Boni; and the broker Ricardo Forcella, owner of Alfa Trading, who 12 years ago served six months in prison after being charged with the death of a notary and who was acquitted later. Boni gave up his habit of spending vacations in Florianopolis because—according to himself—he is being sought by the Brazilian Federal Police. In his talk at the Brazilian Embassy with the Brazilian deputies who are members of the Congressional Investigating Committee, Boni revealed that Vieira had only authorized him to grant interviews to JORNAL DO BRASIL journalist Etevaldo Dias.

Prosecutor Requests Imprisonment of Gold Dealer

PY0108203692 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 31 Jul 92 p 4

[Excerpt] Porto Alegre—The Federal Public Prosecutor's Office [Ministerio Publico Federal—MPF] early last night requested the preventive detention of Uruguayan Najum Azario Flato Turner, mentioned by former presidential secretary Claudio Vieira as the man who had sold him 300 kg of gold. The request was made by prosecutor Januario Paludo in the city of Rio Grande (RS) [Rio Grande do Sul State], where Turner is being tried for smuggling gold. Besides case No. 8910031891, in which he is incriminated, Najum Turner allegedly is involved in other cases of gold smuggling. Paludo will request a police investigation to prove "the existence of a gang."

In his request to Judge Elcio Pinheiro de Castro of the Porto Alegre Court, the prosecutor says he believes that Turner "commanded a real operation of currency evasion." Paludo thinks the gang had branches not only in Sao Paulo and RS, but also in Uruguay. He considers "incredible" the amount of gold found in the hands of employees or people close to Turner. The prosecutor also intends to investigate the business between Turner and the Viatel exchange house in Montevideo. [passage omitted]

Government Crisis Causes Fall in Stock Market

PY3107204592 Rio de Janeiro O GLOBO in Portuguese 30 Jul 92 p 20

[Text] The news that Senator Eduardo Suplicy (Sao Paulo Workers Party) had evidence that the loan

obtained in Uruguay by former Presidential Private Secretary Claudio Vieira was simply a farce hit the stock markets and the overall national financial market like a bomb. At about 1600, when the market confirmed the rumor circulating early in the afternoon, the fall of the Rio de Janeiro stock market increased and at closing time it had plummeted 7.2 percent. The fall in Sao Paulo was worse: 9.26 percent.

Stock market observers had already believed that Vieira's arguments were too weak to convince the Congressional Investigating Committee [CPI] investigating PC [Paulo Cesar] Farias. The involvement in the case of middleman Najum Turner, who is charged with gold smuggling, and the information that Alfa Trading, the enterprise that granted the credit, had no credentials to conduct this type of operation, have increased the atmosphere of insecurity. As a result, several investors decided not to take part in the stock markets, the volume of which thus decreased: Activity in Rio de Janeiro totalled 70.9 billion cruzeiros and 190.1 billion cruzeiros in Sao Paulo.

The witness presented by Suplicy was Sandra Fernandes de Oliveira—secretary of Alcides Diniz, a friend of President Collor. She testified that Vieira's testimony to the CPI had been made up, and her testimony was the last straw. The more liquid shares, such as those of Rio Doce Valley Company, Brazilian Telecommunications, Inc., and Brazilian Electric Power Company, Inc. suffered the most: They fell 7.64 percent, 11.27 percent, and 12.31 percent, respectively. After that, new rumors about a possible cabinet resignation, began to be spread in the stock exchange.

Polling Institute's Links To Presidency Noted

PY0108152492 Sao Paulo ISTOE SENHOR in Portuguese 29 Jul 92 p 21

[By Rodrigo Mesquita]

[Text] The nation has become used to IBOPE [Brazilian Statistics and Public Opinion Institute] surveys whenever there is a political event of significance. The institute is constantly trying to phathom the population's mood on anything from common slogans to presidential television pronouncements. IBOPE's most recent work showed that 68 percent of Brazilians believed President Fernando Collor's denial of driver Francisco Eriberto Freire Franca's claims as published by ISTOE. Going beyond these results, however, there have always been questions surrounding IBOPE's surveys: Who pays the bills?

Some clarifying details have recently begun surfacing, mixed with the avalanche of facts surrounding the investigation of Paulo Cesar Farias. Contrary to what IBOPE President Carlos Augusto Montenegro says, it is neither for love of statistics nor because of IBOPE'S generosity that the institute is moved to conduct surveys and pay the expenses. It is the taxpayers' money—through a twisted and disguised operation—that pays the bills. Former presidential private secretary Claudio Vieira had the idea of having several state companies contract for IBOPE's service. But the institute, instead of performing work for the contracting companies, conducted—and still does conduct—political surveys ordered directly by the presidency of the Republic.

Two months ago, for instance, IBOPE renewed two contracts with the Federal Savings Bank and Telebras [Brazilian Telecommunications, Inc.] that left IBOPE with a profit of 4.7 billion cruzeiros. In addition, IBOPE has links with the Bank of Brazil, the Brazilian Postal and Telegraph Enterprise, and Petrobras [Brazilian Petroleum Corporation]. The scheme exists and works because these firms take advantage of loopholes in Decree-Law 2300 regulating public biddings. These firms justified IBOPE's direct hiring, citing the institute's well-known specialization and the fact that it is the only firm in the country that conducts radio and television audience ratings.

The two contracts obtained by ISTOE show similarities that seem to be more than simple coincidence, as if they were copies of a single form. They exhibit the opinion of Nelson Marangoni, president of the National Association of Survey Companies, saying that IBOPE is the only institute in the country that makes surveys in the electronic media. Marangoni's association—headed by IBOPE—bolted from the Brazilian Association of Market Survey Institutes, Abipeme. Surprisingly, Marangoni himself admits that "many people conduct surveys in the media," contradicting his opinion in the contracts guaranteeing IBOPE's hiring without bidding. "That opinion was one of the arguments upon which our legal advisers based their conclusion to contract with IBOPE without bidding," Estevam Fregapani, Telebras board of directors president, confirmed.

"I have been working for the government for over 10 years, and I expect to continue doing so in the coming years," IBOPE Director Montenegro said. "We have a certificate from the Attorney General's Office classifying our firm as one with well-known specialization," Montenegro said, as if he were speaking about a passport guaranteing that his company would not have to participate in bids. "People know that this government has a clear preference for IBOPE. This was not the case during previous governments," Carlos Mateus, president of the Gallup Institute, says. Montenegro denied, however, that his firm had any privileges, adding that they do not work for the presidency of the Republic. Montenegro said the survey conducted after the president's pronouncement "was made on our own, as any other survey when we have significant political events. Surveys are a matter of trust," Montenegro concluded.

But the trust of some public companies in IBOPE is surprising. Telebras, for instance did not even bother to check if the number of interviews proposed by the firm for one particular survey was the usual for the market. IBOPE committed itself to conducting 47,500 interviews throughout the country during the first stage of a survey

to determine the firm's public image. "It is absurd," Otavio da Costa Eduardo of Abipeme assured us. "A survey of that size would require nearly 1,000 interviews paid for by the state," he said. The inflation in interview numbers could be hiding the bills for surveys ordered by Planalto Palace, Costa Eduardo added.

Presidential Press Secretary Pedro Luis Rodrigues said he had never used public money to order a survey. Telebras was the only firm that agreed to speak about the affair, even though its president denied any links with the scheme mounted by Claudio Vieira. ISTOE contacted Federal Savings Bank President Alvaro Mendonca and Bank of Brazil President Lafaiete Coutinho, but they said they did not have anything to say.

Police To Investigate Source of Farias' Income

PY0108203292 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 31 Jul 92 p 4

[Excerpt] Brasilia—Federal Police began a criminal and financial investigation this week into the activities of businessman Paulo Cesar Farias [PC]. In two weeks, a list will be made of all monetary sums mentioned during testimony and on data supplied by the Central Bank. The investigation's objective is to identify the origin of the money used by PC in Brazil and abroad. It also seeks to determine for whose benefit the money has been used and details on the payment of President Collor's expenses.

This data will be included in the investigation into PC's case, which is being headed by police inspector Paulo Lacerda. [passage omitted]

Further Dealings Involving Farias Disclosed

PY0108144092 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 31 Jul 92 p 8

[By Suely Caldas]

[Text] Rio—Businessman Alcides Diniz, who owns ASD [Alcides dos Santos Diniz] proposed to Previ (pension fund of Bank of Brazil) on 4 November 1991 the sale of two 20-story buildings for $231 million. The buildings are located near Marginal Pinheiro in Sao Paulo. Five days before the offer was made, the Previ executive board received a telephone call from the company of Paulo Cesar Farias, EPC [Construction Investment Enterprise], and ten days later, on 14 November, two more phone calls were received. Previ did not buy the buildings from ASD, but despite the opposition of one of its executive board members it contracted for two companies to make an evaluation of the two buildings.

Previ President Mauro Berlink Ramos gave the ESTADO news agency his version of the news that the aid offered by Alcides Diniz to Claudio Vieira, President Fernando Collor's former secretary, to legalize the loan in Uruguay would be under the condition that Previ buy the buildings, guaranteed by Lafaiete Coutinho, president of the Bank of Brazil (which sponsors the fund). Ramos said: "Claudio Vieira may even be negotiating that with Diniz, but he does not have Previ's approval." Ramos also denied having received telephone calls from EPC, but he could not say who received them.

Francisco Parra, the Previ director elected by the employees, said he opposed the deal early this year because Previ already owned a building of the Pao de Acucar group (which belongs to Abilio Diniz, who is Alcides' brother) in the Marginal Pinheiro region, and that there were other buildings with better liquidity in the area. The Previ executive board members spent a great amount of money uselessly to contract companies to make an evaluation of the buildings. Early in March, the contracted companies gave their opinion: The two buildings (a group of offices in four premises and a five-star hotel located in a property inherited by Alcides Diniz from the Diniz family) were evaluated at $200 million—that is, 13 percent less than the original proposal.

Ramos added that in June the Previ executive board decided to suspend all property construction investments, thus stopping the deal. Ramos had an evasive attitude about this case, but gave the impression that Previ was still studying the ASD sale proposal.

Yesterday, after Francisco Parra asked him for explanations, Ramos made it clear that the investment had been discarded. Mauro Berlink Ramos, who was appointed in June 1991 by Lafaiete Coutinho, asserted that he did not know the Bank of Brazil president before he went to Previ. According to Berlink Ramos he was appointed with the help of a former president of the Bank of Brazil, whose name he refused to disclose.

One of businessman Alcides Diniz' four projects that would have been financed by the Bank of Brazil in exchange for the aid to Claudio Vieira was the construction of a hotel complex in the area of his Capuava ranch, near the Campinas and Indaiatuba districts, 90 km from Sao Paulo.

In May 1990, the land where the project was to have been built was declared a property for public use by the Campinas Prefecture, which with the support of the state government and private initiative was planning to build the first oval car race track in the country, aimed at bringing one of the stages of the Indy car race championship to Brazil.

But Alcides Diniz was able to abolish the decree on 18 June after a formal appeal to Prefect Jaco Bittar (PDT) [Democratic Worker's Party] was made. The opposition attributed Diniz' success to his good relations with the then Governor Orestes Quercia, which helped in having the idea of building the race track forgotten.

Diniz hopes to build a hotel complex with bungalows, tennis courts, golf courses, and polo fields, which is a favorite sport. The complex will cover part of the 800

hectares of the Capuava ranch located between Anhanguera, Bandeirantes, and Santos Dumont Streets, which is the region with the greatest concentration of polo fields in Brazil. This is where President Fernando Collor and his wife Rosane stayed late in 1990.

* Prosecutor General on Anti-Collor Proceedings

92SM0542A Sao Paulo ISTOE SENHOR in Portuguese 22 Jul 92 pp 22-26

[Interview with Prosecutor General Aristides Junqueira with unnamed ISTOE SENHOR correspondent in Sao Joao Del Rey; date not given—first seven paragraphs are ISTOE SENHOR introduction]

[Text] Rosario Square in Sao Joao Del Rey, Minas Gerais State, seems to have a funny way of making history. A small square lined with a jumble of two-story houses in a soft colonial layout, it persists at times in being the crossroads for certain national crises. It was in an imposing manor house to the left of the church that the late President-elect Tancredo Neves was born, lived, and usually returned for vacation to meditate. In the past two weeks in a big house across the way, another of the square's famous sons has been spending hours in meditation. In the house at No. 100, far from the tensions of Brasilia, Brazil's Prosecutor General Aristides Junqueira Alvarenga is getting ready to make one of the most difficult decisions of his career. It is a decision that may not come for a few more months, but whose weight has hung heavy on him for several days. Depending on the results of the investigations that the Federal Police has been conducting, the fate of President Collor's term of office may fall into Junqueira's hands. It will be up to him, according to the evidence and circumstances, to decide whether or not to offer up an indictment against the president to the Federal Supreme Court.

Since the walls—and especially the friends—on Rosario Square usually have ears, someone must have overheard, a few days ago, a doleful exclamation from the prosecutor: "If I offer the Supreme Court an indictment, Collor's days as president will be numbered." But no one reading this phrase should think that it conveys any sense of intransigence or self-sufficiency on the part of this 50-year old Minas native, a former seminarian and now a prosecutor as stubbornly insistent on evidence as he was fervent in his prayers while a novice at the seminary in Mariana. Junqueira does not venture to suggest that there is already conclusive proof of President Collor's involvement in PC's [Paulo Cesar Farias's] shady dealings. "I am not following the Federal Police investigation step by step," he claims. But, paradoxically, he does not shrink from saying that sufficient evidence has already been produced in that inquiry to punish "some people."

Before the decisive proceedings can end up in his hands—if they do—Junqueira will have to face up to other serious legal questions involving the same defendant. On his desk, sent to him by the Federal Supreme Court, are a criminal complaint, an indictment, and two investigations involving President Collor. These proceedings, containing charges of election-related crimes and crimes against honor, cannot continue without his opinion. The legal doubts lie in the controversial fourth paragraph of Article 86 of the Constitution, which says that "The president of the Republic may not, during his term of office, be held liable for acts outside the scope of his duties." Carried to its extreme this means, for example, that if a Brazilian president were to murder his wife while he is in office, he can remain as president, without being tried, until his administration's last day. Only after passing the ceremonial sash to his successor would he be obliged to face a jury of his peers.

Of the three cases on his desk, only one raises doubts in Junqueira's mind regarding Paragraph 4 of Article 86. It is the criminal complaint filed by the president of the PT [Workers Party], Luis Inacio Lula da Silva, for having been called a "scoundrel" by Collor when he [Lula] was trying to prevent passage in Congress of a bill the administration was interested in. "It remains to be seen, and I still have many doubts, whether by calling an opponent a scoundrel the president was taking a position related to his office," the meticulous Junqueira mused. If his final answer is "yes," then Collor could be prosecuted for a crime against honor. In the event the prosecutor decides in the negative, the president will be free from prosecution until the end of his term. This is, incidentally, the way Junqueira once ruled in regard to accusations of election-related crimes committed during the campaign. "As long as he is performing the duties of his office, the president cannot be held liable for events prior to his inauguration," he said. But, correcting an omission in the constitutional text, Junqueira notes that the statute of limitations on the crime is to be suspended until the end of the president's term.

These reflections on the then-dormant Paragraph 4 of Article 86 have helped the prosecutor polish up an analysis of formal charges that Collor might have to answer after the investigations into the PC case are finished. Albeit cautiously, the prosecutor now suggests that it is unlikely that the generous Paragraph 4 can, a priori, protect the president. If the evidence does entangle Collor, it is unlikely that the circumstances would be unrelated to the performance of his duties. "Depending on the facts, I can classify it under a provision of the Penal Code that pertains to crimes against public administration, committed by a civil servant against the public administration," he explained. Questions and reflections like this are what has occupied the vacation Junqueira is spending in his hometown. No matter how much he tries to pass the time "making conversation" with friends, especially his brother, Luis Antonio, these thoughts keep coming back, insistently pounding inside his head.

Oddly enough, the question that most torments some jurists in Brasilia seems to have dissipated, in Junqueira's mind, during his strolls along the alleys of secular Sao Joao Del Rey. The prosecutor no longer has

any doubt that the Federal Supreme Court could prosecute the president without the approval of the Chamber of Deputies in the case of an ordinary crime. This, in fact, was one of the topics that Junqueira discussed, more freely, in an exclusive interview with ISTOE SENHOR conducted in the big house in Sao Joao Del Rey, where several generations of Alvarengas have been born. "Although the interpretation of Article 86 raises many questions, it does not seem to me that there is any need for legislative approval before prosecuting the president for an ordinary crime," he said. And, he added, "In saying that, I am supported by an earlier decision by the Supreme Court concerning ministers of state. On that occasion, the STF [Federal Supreme Court] decided there was no need for acceptance of the accusation or authorization by the Chamber of Deputies in order for trial and judgement to occur."

It is on this exposed flank that the greatest threat to Collor may lie. While his "death squad" redoubles its pressure against the CPI [Congressional Investigating Committee]—which is, after all, only a political tribunal—and forms a powerful circle of protection in Congress to keep a two-thirds majority of legislators from approving the opening of impeachment proceedings, the judiciary may, inexorably and silently, seal the president's fate. In principle, all that would be required is for the Federal Police investigation to gather sufficient evidence to charge him with a common crime and for the prosecutor general of the Republic to decide to offer up an indictment before the Supreme Court. From arraignment for a common crime to indictment for criminal abuse of power [crime de responsabilidade] could all be a matter of only a few steps. After all, it is the same cautious Junqueira who agrees that, in the case of a president of Brazil, it is practically impossible to disassociate the nature of one crime from the other. "It is very unlikely, in practice, to find an ordinary crime that is not, in the case of a president, an abuse of power," the prosecutor general admits.

Conclusions like this have been tormenting the cold Sao Joao Del Rey nights in the Alvarenga mansion, and the enigmatic late afternoon shadows on Rosario Square.

[ISTOE SENHOR] There are those who say that President Collor's future in office now depends more on your decision than on the conclusions of the CPI. It will be up to you to decide whether to offer up an indictment before the Federal Supreme Court in the event it is determined that an ordinary crime perpetrated by the president did take place. Does this intimidate you in any way?

[Junqueira] The Office of Public Prosecutor cannot be concerned about the identity of the person who commits the crime. If there is evidence, we in that office are required to investigate to find out who committed the offense, what the material facts are, whether a crime occurred, and who were the perpetrators. If I have more than sufficient indications, compelling ones, that would lead to a formal accusation before a competent judicial body, I have an obligation to make it. In this specific case, if there is sufficient evidence that the president of the Republic was the author of the crime, it is the obligation of the Public Prosecutor to offer up an indictment before the Federal Supreme Court.

[ISTOE SENHOR] History gives us several examples of people who succumbed under the weight of a heavy responsibility. How do you face this crossroads that fate has placed in front of you?

[Junqueira] I handle it with the serenity of mind and impartiality typical of a member of the Office of Public Prosecutor. That is the way I am and have been since 1968, when I began my career in that office. Whether it is a wagon driver from a small town or the alderman or the mayor of a small city, I look at things from the standpoint of criminal law.

[ISTOE SENHOR] But isn't there a big difference between the president of Brazil and the mayor of some small city?

[Junqueira] I can make some distinction, only on the grounds of geographical circumstances—or perhaps for the political dimensions of the case.

[ISTOE SENHOR] So you really do not feel any apprehension or burden of responsibility?

[Junqueira] I feel no fear of any sort. But the responsibility exists, and it is a very heavy one. I would not, for example, offer up an indictment against the president of Brazil at the Federal Supreme Court if I knew the Court would have doubts about receiving it. I believe that if I were to offer an indictment that the STF would reject on the grounds of insufficient evidence, I would be weakening my institution.

[ISTOE SENHOR] Don't you think there is already sufficient evidence of the president's guilt?

[Junqueira] I do not know. I am not following the investigations step by step. The police investigation, which is what interests us most, is being monitored by two federal prosecutors. The work of the CPI is one thing, and that will be of use to us later. The police investigation that is under way is something else.

[ISTOE SENHOR] The president's private secretary, Ana Acioli, kept checking accounts in two different names. Besides that, deposits made by people with ties to PC Farias have been identified. That money was supposedly used to pay Collor's personal expenses. Doesn't that constitute, at a minimum, personal improbity on the part of the president?

[Junqueira] If there is evidence of the president's personal dishonesty, I, as head of the Office of Public Prosecutor, must first see whether that act of improbity is defined as a crime, an ordinary crime, in the ordinary criminal laws. Otherwise the problem becomes, solely and exclusively, a problem for the National Congress. If it is found to be criminal abuse of power, and exclusively

that, then only Congress has the authority to prosecute him and bring him to trial. That is what the Constitution provides.

[ISTOE SENHOR] Regarding a president of the Republic, is it possible to distinguish an instance of personal dishonesty from administrative dishonesty?

[Junqueira] It is possible, in theory.

[ISTOE SENHOR] How?

[Junqueira] If, for example, a president of Brazil were to steal some item of private property that had no relationship with his duties, it would be an act of personal dishonesty that would constitute an ordinary crime, a theft, but would have nothing to do with his office. Therefore, it would have nothing to do with administrative dishonesty; it would be personal dishonesty on his part.

[ISTOE SENHOR] But in that obscure hypothesis of a chicken-thief president, would he not be offending the decorum of the office?

[Junqueira] Indeed we would then be entering another legally-protected area—namely, as you said, the decorum of the office. So in practice it is very unlikely that one would have a common crime that is not, for a president, a criminal abuse of power. The opposite situation is more likely: a criminal abuse of power that is not an ordinary crime.

[ISTOE SENHOR] So, the fourth paragraph of Article 86 of the Constitution, which says that the president cannot be held liable "for acts outside the scope of his duties," is a precept that is controversial, to say the least. Would you agree?

[Junqueira] It is a matter that really does need to be interpreted. I do not know how that provision came to be placed in the Constitution. Some deputies proposed that amendment, which ended up staying in the text, at a time when the Constitutional had all the features of a parliamentary system. Later, in the conference committee, they submitted an amendment changing the parliamentary regime to a presidential system, but that provision stayed there. Historically, there was a Constitution, the 1937 one, that said substantially the same thing. If I were to look at comparative law, I would also find that same provision in the Portuguese Constitution. But the Portuguese Constitution is much clearer: the president of the Republic cannot be prosecuted for any crime he may commit, until after he leaves office. The justification cited by the person who submitted the amendments was that the president should not be bothered while in office because of actions not related to his duties. However, as we have already said, it is very unlikely that one would find an ordinary crime that would not be classified as criminal abuse of power, the way it is stated in the Constitution. This is a matter for lengthy discussion, and the Supreme Court will make the final decision.

[ISTOE SENHOR] Some jurists have pointed out a flaw in the wording of Article 86. Because of an imprecision, there are disagreements as to whether the judiciary, in the case of an ordinary crime committed by the president, needs the permission of the Chamber of Deputies to prosecute him. In your opinion, does the judiciary need that permission?

[Junqueira] Although the Constitution may suggest an interpretation that leads to controversy, I do not think the authorization of the legislative branch is necessary in order to prosecute the president of Brazil for an ordinary crime. That is another thing the Supreme Court will have to resolve. Note that Article 51 also says that it is up to the Chamber of Deputies to authorize, also by a two-thirds majority, the institution of proceedings against ministers of state, for example. And the Federal Supreme Court, in light of that new constitutional text and interpreting Section 1 of that article, concluded that as regards ministers of state in the case of an ordinary crime, there is no need for authorization from the legislature.

[ISTOE SENHOR] And so, by extension, this could be applied to the president?

[Junqueira] That is a decision, certainly a difficult one, that must be made by the Supreme Court—with the complicating circumstance that Paragraph 4 of Article 86 only mentions the president. But it is possible that the Supreme Court would decide, as regards an ordinary crime, that there is no need for authorization from the Chamber of Deputies. After all, it once ruled that way concerning ministers of state.

[ISTOE SENHOR] Getting back to the dilemma of evidence and proof against the president. It has already been demonstrated, by ISTOE SENHOR and others, that Collor is living beyond his means. Is that not a strong indication of a fiscal crime, at least?

[Junqueira] On that basis, I can investigate the possibility of a crime. But to take some legal measure, I have to be fully convinced of the crime and identify the criminal circumstances and their perpetrators. It would be a crime, for example, if it is proven that he receives favors because of the office he holds.

[ISTOE SENHOR] If no evidence that would stand up in court is found, then would it all come down to a moral problem?

[Junqueira] There are a lot of things, a lot of behaviors, that might escape criminal law but would still not be proper.

[ISTOE SENHOR] As a jurist, you know that, in the law, proof is always relative.

[Junqueira] Indeed, there is no absolute proof in the penal process. All evidence is relative. The accumulation of evidence is what carries weight, and it is my task to examine all that evidence, as a whole, to become convinced as to whether or not a crime was committed. Only

by examining the evidence in the record, properly introduced during the proceedings, in order to conclude whether I am convinced or not.

[ISTOE SENHOR] Under the law there is no rigid hierarchy of evidence, either. Under certain circumstances, the testimony of witnesses might be worth more than documentary evidence. In this context, what do you think of the deposition by the chauffeur, Mr. Eriberto Franca?

[Junqueira] It is valuable; it has a lot of evidentiary value, yes. There is no doubt about it. I take into consideration, not only the person who testifies and what he or she gave as testimony, but also the consistency between what the witness said and the rest of the other evidence. But what interests me is the weight of accumulated evidence. And there is nothing that says I cannot keep looking for more proof.

[ISTOE SENHOR] Is the CPI helping the Office of Public Prosecutor in collecting this evidence?

[Junqueira] Of course it is. The Office of Public Prosecutor is the final destination of the CPI findings. But I can assure you that the police investigation is moving along very rapidly. As I see it, the most useful contribution in the work of the CPI is that it is raising people's consciousness, even that of the general public, as to the need for morality in public life. But it does not seem to me that any proceedings on the grounds of criminal abuse of power can be instituted on the basis of this CPI.

[ISTOE SENHOR] Why not?

[Junqueira] I can glean facts from the CPI proceedings that would lead to a finding of criminal abuse of power, but the procedure has to be a different one, it cannot be a Congressional Investigating Committee. The proper procedure is the one outlined in Law 1079 of 10 April 1950, which defines the "crimes de responsabilidade." Because there is also a legal principle according to which the party that investigates the circumstances, the one that accuses, cannot pass judgment. And therein lies one of the problems.

[ISTOE SENHOR] What problem?

[Junqueira] If the evidence gathered by members of this CPI is going to be used to develop a charge of criminal abuse of power before the Chamber of Deputies, there are some who interpret the law to mean that the members of this CPI would be barred from participating in the preliminary phase, in the Chamber and later in the Senate, of the prosecution of the abuse of power.

[ISTOE SENHOR] Is that because they investigated and so they cannot pass judgement?

[Junqueira] Exactly.

[ISTOE SENHOR] And so, what is the solution?

[Junqueira] The law provides that any citizen can invoke the Chamber of Deputies, because the process begins in that house.

[ISTOE SENHOR] Under that rationale, the work of the judiciary, especially the Office of Public Prosecutor, becomes more important. Speaking of that, hasn't enough evidence been gathered in the Federal Police investigation to punish some people?

[Junqueira] I think there is already enough evidence to punish certain people, but I would rather not name them because my colleagues are responsible for the inquiry and it is up to them to arrive at their own opinion. Obviously, we have to wait for the conclusion of the investigations, all the investigations, before we can determine who all these people are who should be punished.

[ISTOE SENHOR] Perhaps never in the history of Brazil has any president lost the confidence of the legislature the way President Collor has, being faced with such serious charges. For the first time, the Brazilian public is also seeing how hard it is to punish a president. Is this a defect in the legal system; is it a cultural problem, or is it a political one?

[Junqueira] I do not think it is the result of deficiencies. It is right, in a democracy, that it should indeed be hard to punish a president. But I think what is difficult is not the obtaining of evidence, but rather the process for removing a president, taking away his mandate, precisely because of the democratic factor involved in selecting him. The difficulties need to be great, out of respect to the people's choice. So much so that the Constitution, in the case of criminal abuse of power, provides for an extremely distinguished forum, a two-thirds majority of the Chamber. This is to prevent a minority from trying, through maneuvers, to throw out a legitimately elected representative of the majority of the population.

[ISTOE SENHOR] What do you think of the term "Coup Syndicate" [Sindicato do Golpe]?

[Junqueira] I do not see it; I do not know where that Coup Syndicate can be. What I see is a CPI that is functioning, and a police investigation that is in progress.

[ISTOE SENHOR] Is the Office of Public Prosecutor included in this Coup Syndicate?

[Junqueira] The Office of Public Prosecutor is waiting for evidence and is looking for evidence—something that, by the way, the police are working on.

[ISTOE SENHOR] Did the president make a mistake when he decided to live in a home owned by his family instead of the official residence?

[Junqueira] No doubt about it. The official residences exist, under the law, precisely to avoid that sort of problem, those kinds of questions. The presidency is an

institution that must be free of all doubts and that is why we need an official residence.

[ISTOE SENHOR] In the opinion of some people, the president has already been morally and politically damaged, regardless of the outcome of the crisis. Would you agree?

[Junqueira] I am going to take the liberty of limiting my opinions to strictly legal matters. The foundation of the Office of Public Prosecutor is its impartiality and the fact that it stays in its own backyard. If I were to start giving suggestions about political, moral, or individual concepts, I believe I would not only be showing disrespect for my own institution, but weakening it.

[ISTOE SENHOR] Despite the gravity of the crisis, all these events may benefit this country. Would you agree?

[Junqueira] It is a very important event in national life since, after all, the matter it did not fall into the void and things did not go back to what they were before without having any effects. One of the effects is the punishment of all those who committed crimes. I would go further: for example, the CPI should, after completing its work, not only punish the guilty parties but declare that several legal systems that have contributed to this state of affairs need to be changed. Then the effects would indeed be lasting.

[ISTOE SENHOR] What legal systems need to be modified?

[Junqueira] The elections system, for example. What is happening now is the result of a flawed system in which money flows freely, you see? And it flows in a way that it should not flow. Although of course it is hard to control all that, the politicians should use their imagination and enact the right kind of laws. Change the political party laws and the Elections Code itself. We cannot limit ourselves to punishing the people who committed these offenses without examining the causes. And most of them have their origin in the elections laws, in the way our governing officials are chosen. And I am not referring only to the executive branch, but to the legislature as well.

[ISTOE SENHOR] Besides those aspects, doesn't the problem have deeper roots?

[Junqueira] Neither morality or ethics are limited to the political sphere. Ethics need not be found only in politics. I believe that if there are no ethics in politics, it is because there are not enough ethics on the social plane. If ethics are found among the common people, there will be ethics in politics and ethics in public administration. Criminal law is nothing more than the minimum ethical foundation demanded by society.

[ISTOE SENHOR] Do you think that this minimum ethical standard will be guaranteed in the case of Brazil?

[Junqueira] For my part, I believe the guilty will be punished. If there is evidence, the Office of Public Prosecutor will indict these people, and I think the judiciary will punish them. Because in this country, it is the Judiciary that can punish. I hope that with the police doing their job, the Office of Public Prosecutor doing its part, and the courts too, we will have gathered sufficient evidence to punish all those who are responsible.

Chile

Honecker Case Ends; Aylwin Comments

PY0108172692 Santiago Radio Chilena Network in Spanish 1100 GMT 1 Aug 92

[Text] President Patricio Aylwin has admitted that his administration put an end to Erik Honecker's status as guest at the Chilean Embassy in Russia. The former president of what used to be the German Democratic Republic stayed at the embassy for seven months and 18 days. The head of state, who was initially reluctant to discuss this issue, finally consented to answer some questions after the mass celebrated, as is customary every Friday, at the La Moneda Chapel.

[Begin recording] [Unidentified reporter] Hasn't the outcome of Honecker's case left a bitter aftertaste?

[Aylwin] By no means.

[Second unidentified reporter] [Passage indistinct]

[Aylwin] There's no doubt about that. Honecker had already been warned that he would only be granted temporary asylum. [end recording]

President Aylwin stated that Honecker's case is not completely closed, as next Wednesday Foreign Minister Silva Cimma will have to appear before Congress' Chamber of Deputies to brief them on the events related to Honecker's departure from the Chilean Embassy.

President Aylwin pointed out: If there's something to say after that, I will do it. He added: I do not want get ahead of myself. I have no further comments on the subject.

Aylwin Reportedly Ordered Departure

PY3107181792 Santiago Radio Chilena Network in Spanish 1100 GMT 31 Jul 92

[Excerpts] Erich Honecker did not leave the Chilean Embassy in Moscow because he wanted to leave, but because President Patricio Aylwin decided to put an end to this situation of having Honecker as a guest of the Chilean diplomatic mission.

This statement was made by Socialist Party Vice President Jorge Arrate after a meeting with President Aylwin. According to Arrate, the president told him he made this decision for the good of the country—a decision with which we disagree, Arrate said.

According to the Socialist Party view of the Honecker case, his moral or political standards are not in play, but rather how a government defends the right to asylum.

[Begin Arrate recording] The moral or political guidelines of Honecker's regime are not in play, nor are they for discussion here. We can have a separate debate on this, and we are going to have different opinions about it here in Chile. But what is in play here is how a government defends the right to asylum or refuge. I understand that Chile has done much for the defense of that right. Honecker was inside the Chilean Embassy more than seven months.

You must remember that we are a small country, and that we were facing an unprecedented situation concerning international legal matters. And two great international world powers were involved in this. [end recording]

Arrate added that although his party understands President Aylwin's decision, the manner in which Honecker left the embassy is still unsatisfactory. He added that Honecker's stay at the embassy should have been extended a little more.

He added that his party believes there was a perfectly clear legal path to be followed. He concluded by saying that this difference of opinion between the government and his party by no means undermines the unity of the coalition, as that is based on matters much more profound than a simple difference of opinion.

Moreover, Foreign Minister Enrique Silva Cimma said that it was the Russian Foreign Ministry Legal Department, together with the Russian Justice Ministry, who decided on the manner in which Honecker should leave the Chilean Embassy in Moscow, where he stayed as guest to the end. [passage omitted]

When asked about the rumors that the German Government exerted pressure, and that Honecker had left the embassy against his own will, Silva Cimma said: They can say what they want.

He also categorically denied remarks by one of Honecker's lawyers to the effect that his defendant had been forced to leave the embassy, and that he had been given 10 minutes to leave. [passage omitted]

Upon leaving Government House, where he made these remarks, the foreign minister was booed by activists of the Allendist Leftist Democratic Movement (MIDA), who demanded asylum for Honecker.

In a statement read outside La Moneda Palace by Leandro Torchio, MIDA repudiated the Chilean Government's decision. It also criticized the position adopted by the Socialist Party on this situation. [passage omitted]

Mrs. Honecker Arrives

PY0108021092 Santiago Television Nacional de Chile Imagen Internacional in Spanish 0000 GMT 1 Aug 92

[Text] Great excitement among national and foreign journalists and strong security measures surrounded Margot Honecker's arrival in Santiago [on 31 July]. She, along with her husband, who is currently in a Berlin prison, spent more than seven months as a guest at the Chilean Embassy in Moscow. Thus far, she has maintained her silence.

Her arrival was scheduled for 0800 [1200 GMT]. At that time, all media had their journalists deployed to capture the best video and, ideally, some remarks by Margot Honecker.

Nevertheless, the journalists were not authorized to enter the VIP hall. We had to resign ourselves with long-distance views. Margot Honecker is the person walking down the steps on the right, accompanied by the man in dark clothes.

The airport has seven different exits and, through the most unpredictable one, the wife of the former Easter German leader left the premises, dodging the journalists.

Shortly thereafter, [former Chilean Ambassador to Russia] Clodomiro Almeyda, one of the few people allowed to enter the airport to meet her, was approached [by the journalists] outside his house.

[Begin Almeyda recording] She arrived in good shape, but I did not want to bother her. She was tired. Thus, she left with her daughter and I left her. We agreed to meet the following day. [end recording]

Margot Honecker immediately went to her daughter Sonya's house in La Reina District where journalists also were not allowed to enter.

Communists Say Honecker Forced Out

PY0208020692 Santiago Television Nacional de Chile Imagen Internacional in Spanish 2300 GMT 1 Aug 92

[Text] Communist leader Gladys Marin has confirmed that Communist Party of Chile [PCCh] leaders met with Margot Honecker yesterday. Marin added that the wife of the former GDR ruler confirmed that Eric Honecker left the Chilean Embassy in Moscow against his will.

PCCh presidential hopeful Gladys Marin convened a meeting with community leaders and workers where she stressed the need to begin a campaign in Chile for Eric Honecker's release, particularly after the meeting that PCCh leaders had with Margot Honecker last night. On that occasion Honecker's wife confirmed the true reasons why her husband left the Chilean Embassy in Moscow.

[Begin Marin recording] We told her that she must talk with reporters. What was mentioned in the Foreign Ministry declaration was not fulfilled, particularly the item that mentions that Eric Honecker had legal assistance to petition Russian courts to review his case. This is not true. He was forced out. He left a written note of protest at the Chilean Embassy. [end recording]

Gladys Marin concluded by saying that the PCCh and its MIDA [Allendist Leftist Democratic Union] allies will sponsor a series of mobilizations next week to demand the release of Eric Honecker.

Honecker Reportedly Protested

PY0308022492 Santiago Television Nacional de Chile Imagen Internacional in Spanish 0000 GMT 3 Aug 92

[Text] Clodomiro Almeyda, former Chilean ambassador to Moscow, has confirmed that Eric Honecker left a protest note after he was notified that he had to leave the Chilean Embassy in Russia.

Almeyda, who was Chilean ambassador to Russia when the former GDR leader entered the Chilean Embassy, was one of the few Chilean personalities who has met with Margot Honecker and who learned her side of the story of what happened in Moscow.

[Begin recording] [Unidentified reporter] Is it true that Eric Honecker submitted a formal protest note to the Chilean Embassy in Moscow because he left the embassy against his will?

[Almeyda] Yes, he did. I believe, however, that he did not submit a formal protest note. He merely protested this decision when he was notified that he had to leave the embassy.

[Reporter] Are you, therefore, confirming that the statement issued by the Foreign Ministry in this regard is not in keeping with the facts?

[Almeyda] Honecker obviously did not leave the embassy of his own will.

[Reporter] Is Margot Honecker in good spirits?

[Almeyda] As I said, I have found her much more calm than the day she arrived in Chile.

[Reporter] Does she intend to remain in Chile with her daughter and grandchildren?

[Almeyda] I do not know, but I believe it is quite possible she will do so.

[Reporter] Will the Socialist Party of Chile support such plans before the government?

[Almeyda]) I believe so. [end recording]

Colombia

Defense Minister Says U.S. Overflights Invited

PA0308014692 Santa Fe de Bogota Inravision Television Cadena 1 in Spanish 0030 GMT 3 Aug 92

[Text] On 2 August Defense Minister Rafael Pardo Rueda said the overflights by U.S. planes that are searching for Pablo Escobar in Envigado and the northwestern part of Antioquia Department will continue as long as necessary. He said Colombia has asked the United States to cooperate on this issue. Colombia will receive the results of the searches.

We cannot spurn this aid, he said.

More Remarks on Overflights

PA0208185892 Santa Fe de Bogota Inravision Television Cadena 1 in Spanish 1757 GMT 2 Aug 92

[Text] All military commanders met in the morning of 2 August with Defense Minister Rafael Pardo Rueda, who has visited Envigado Prison. The minister's visit to the maximum security prison is part of the investigation being conducted on the escape of Pablo Escobar Gaviria.

[Begin Pardo Rueda recording] This incident is very embarrassing; we are not at all proud about this. We must overcome this, and do something. We must continue moving forward, and not remain bogged down. [end recording]

The minister referred to the overflights of U.S. planes over Medellin. He admitted Colombia does not have experts qualified to handle the photograpic equipment used in these planes.

[Begin recording] [Pardo Rueda] We do not have this type of technology; therefore, it must be provided to us.

[Unidentified reporter] What guarantee do we have that the information gathered from the overflights will not some day be used for espionage or for detecting something the U.S. Government would be interested in learning?

[Pardo Rueda] No, we have asked for that information and it is being provided to us. [end recording]

The defense minister announced that when the attorney general feels it advisable, the media will be able to see the interior of the Envigado maximum security prison.

Escobar 'Impatient' To Reach Agreement

PA0108005892 Santa Fe de Bogota Inravision Television Cadena 1 in Spanish 2300 GMT 31 Jul 92

[By Javier Dario Restrepo]

[Text] The prosecutor general denied on 31 July that anyone from his office had proposed any bargaining regarding sentences of Envigado Prison detainees. Talks related to Pablo Escobar's return to La Catedral jail continue.

Recorded telephone conversations of Roberto and Pablo Escobar talking with their lawyers have been delivered to the media. Those recordings provide a glimpse of the chain of mediators who have been operating over these past few days. Pablo Escobar or his brother Roberto contacted some of their lawyers, who in turn used a mediator acceptable to the Presidency, whom the document [not further identified] identifies as Medellin

Metro Manager Fernando Correa. Correa, along with Presidential Adviser Gilberto Echeverry, talked with the lawyers.

This mechanism allowed Escobar and his legal team to propose formulas in which they neither gain nor lose regarding the duration of Escobar's prison term. Escobar and his legal team, however, are more concerned about security guarantees for their lives than with legal formulas. That is why they reject the Itagui Prison and the 4th Brigade—because of vulnerability to car bombs—and they ask to be returned to La Catedral prison.

Escobar seems impatient to reach an agreement. He said: You only need to think about it for a short time, just the time it takes you to think and no longer. To avoid confusion and noncompliance, Escobar has proposed through his lawyers that the president officially commit himself and that the contract outlining the conditions for his new surrender be signed by the justice minister himself.

Fears 'Being Taken to U.S.'

PA3107180192 Paris AFP in Spanish 1654 GMT 31 Jul 92

[Text] Santa Fe de Bogota, 31 Jul (AFP)—Colombian drug trafficker Pablo Escobar escaped from Envigado Prison on 22 July due to fear of being taken to the United States, according to an audiotape the criminal reportedly sent to various Santa Fe de Bogota media on the evening of 30 July.

EL NUEVO SIGLO on 31 July reports it received a tape with alleged conversations between Pablo Escobar and his brother Roberto de Jesus, in which the former reaffirms "his willingness to subject himself to justice" as long as "we are returned to the La Catedral Prison in Envigado."

The article indicates that in "alleged conversations between the Escobar brothers they claim to have escaped due to fear of being kidnapped and taken to the United States because on 21 July the 4th Brigade troops included U.S. commando units."

They also point out "their intention was not to escape" because they knew their situation would worsen.

EL NUEVO SIGLO reports the Escobars "explained that it was when NCO Mina of the Prisons National Directorate died as a result of the military action, that they decided to escape through the back of the prison unassisted—without the help of guards or soldiers."

They also admit they wore masks because "there was the possibility tear gas would be thrown during the commando unit operation."

EL NUEVO SIGLO reports the Escobars reaffirm in the recording they will abstain from carrying out terrorist actions and maintain that "their goals are peace and that they will subject themselves to justice."

"We believe in President Cesar Gaviria and his government and hope the situation will be handled seriously this time and will comply with the commitments agreed upon when we surrendered to justice," the Escobars reportedly stated.

Ministers View Aftermath of Escape

PA3107205892 Santa Fe de Bogota Inravision Television Cadena 1 in Spanish 1630 GMT 31 Jul 92

[Text] There was no political trial of the government regarding Pablo Escobar's escape. There were many speeches at the Senate, but there was no support or arguments for a vote of censure against the defense minister. What happens now? This question was answered by several ministers.

[Begin recording] [Reporter Adriana Ayala] With the rejection of a vote of censure against the defense minister, the country is headed for a complete reform of the prison system, adjustments in submitting drug traffickers to justice, and more U.S. cooperation in the struggle against drug trafficking. These are some of the government pledges so the events at Envigado Prison will not be repeated. Regarding the policy of submission to justice:

[Government Minister Humberto de la Calle] We have to continue investigating the high degree of corruption that existed at Envigado Prison. We are facing the implementation of the submission policy, its review, and the specification of the imprisonment aspects of that policy. The government believes the policy is good but it must be reviewed relating to the security of the prison.

[Ayala] Regarding the area of justice:

[Justice Minister Andres Gonzalez] We plan to establish a very high level commission to undertake an in-depth study on the great revision the Colombian prison system needs. This will require legislative strategies, but also operational, administrative, training, and control strategies.

[Ayala] Regarding international cooperation:

[Foreign Minister Noemi Sanin] The struggle against drug trafficking continues with the support of all the country's forces, Congress, the community, and the judicial branch. We need international cooperation because this is an international crime that demands full support from the international community.

[Ayala] Regarding the military forces:

[Defense Minister Rafael Pardo Rueda] Pablo Escobar's escape shows there was corruption among some members of the Army, who are under investigation by a military judge.

[Ayala] Will the military be reorganized?

[Pardo Rueda] No, this was not proposed in the debate.

[Ayala] The government leaves the congressional debate pleased with the support it received from the liberal legislators who gathered around the government. Many senators from other parties, however, still have doubts. [end recording]

Only 'Unconditional Surrender'

PA0208023492 Mexico City NOTIMEX in Spanish 0008 GMT 2 Aug 92

[Excerpts] Santa Fe de Bogota, 1 Aug (NOTIMEX)—The Colombian Government reiterated on 1 August that it will not accept any condition for the surrender of drug trafficker Pablo Escobar and nine of his men.

President Cesar Gaviria, in a communique issued on 1 August, said that the three citizens authorized to hold conversations with Escobar have briefed him on the new conditions set by the drug lord for his surrender to the authorities. [passage omitted]

In the document, the government offered safety guarantees to the drug trafficker and to whomever surrenders with him, without any conditions other than a just trial for the accused.

"The Government reiterates its position that it will only accept the unconditional surrender of Pablo Escobar and of the rest of his men," the official communique stressed.

Defense Minister, Army Officers Visit Medellin

PA0208022692 Santa Fe de Bogota Inravision Television Cadena 1 in Spanish 0030 GMT 2 Aug 92

[Report by Luz Maria Montoya]

[Text] On 1 August, Colombia's defense minister, several high-ranking military officers, and the attorney general made a surprise visit to Medellin. The objective of the visit was to review aspects related to the operation aimed at capturing Pablo Escobar Gaviria and to smooth things over with Antioquia Department authorities.

[Begin recording] [Unidentified reporter] Has there been any new development or agreement during the past hours between the government and Mr. Pablo Escobar concerning his surrender?

[Defense Minister Rafael Pardo Rueda] No. We have been corroborating that there is excellent coordination here and good morale. There are also very good relations between the government and the mayor's office.

[Reporter] Mr. Minister, is the government still receiving cooperation from U.S. advisers?

[Pardo Rueda] As relates to the direct coordination of all operations, obviously what is taking place is the direct responsibility of the Colombian Government. [end recording]

For the past 11 days, a combined Armed Forces, National Police, and Administrative Department of Security force has searched 101 homes, set up numerous road checkpoints, and started land and air operations throughout Valle de la Urra, Antioquia Department.

[Begin recording] [General Luis Humberto Correa, Armed Forces 1st Division commander] At this time several persons are under arrest and are being questioned in order to clarify some issues. [end recording]

According to official sources, the operations have provided excellent results but they are not being disclosed, for obvious reasons.

Former FAC Commander on Envigado Operation

PA0108202592 Santa Fe de Bogota Inravision Television Cadena 1 in Spanish 1700 GMT 1 Aug 92

[Text] The Special Forces are responsible for the failure of the operation to take control of the maximum security Envigado prison. These charges were made to our reporters by General Hernando Monsalve Figueroa, who was acting FAC [Colombian Air Force] commander at the time of the escape. He is said to be one of the people responsible for the failure of the operation.

The general mentioned the reasons for the failure of the operation. The first plane was ready at 2100 but departed at 0100 the next day. Why?

[Begin Monsalve recording] The first flight was delayed two hours because the passengers did not arrive. The plane was ready at 2100 and was scheduled to take off at 2300, but did not leave until 0100 the next day. Why? Because the Special Forces soldiers had not arrived. The plane and its crew were ready at 2100. [end recording]

The second flight was even more confusing.

[Begin Monsalve recording] The second flight's main problem was a truck had to be airlifted. The truck was too big and could not fit into the plane. The soldiers had to remove the truck's chassis so it could fit, which caused an additional delay. [end recording]

The truck carried communications equipment. When they finally got the truck in the plane, however, the Special Forces soldiers discovered the microwave communication equipment had not been included and had to wait 20 more minutes for it to arrive.

Monsalve Figueroa said FAC's work was so timely that Gen. Farouk Yanine Diaz [Joint Chiefs of Staff chairman] had congratulated them on two occasions.

Gen. Monsalve said Colonel Penate [not further identified] recorded talks with Gen. Yanine Diaz and his orders to the FAC on the night of the foiled operation. Monsalve added that, if necessary, he would present the recording at the Chamber of Representatives on 5 August; the date he has to answer the charges against him.

[Begin recording] [Monsalve] I believe Col. Penate will present the recording if he needs to do so.

[Unidentified reporter] Will the recording be presented at the Senate and Chamber of Representatives on 5 August?

[Monsalve] Well, if they ask for the recording, I do believe it will be presented. [end recording]

Plot To Attack Justice Minister Reported

PA3107195792 Santa Fe de Bogota Emisoras Caracol Network in Spanish 1903 GMT 31 Jul 92

[Statement issued by the Administrative Department of Security, DAS; date and place not given]

[Text] The Administrative Department of Security informs the public that it is conducting an investigation of a possible plot to attack Justice Minister Andres Gonzalez Diaz.

The Administrative Department of Security, after reviewing reports provided by informers and conducting intelligence work, was able to establish that two people who worked at the Justice Ministry performing private surveillance duties were drafting a plan to attack the justice minister in exchange for a huge sum of money.

After learning of this report, the Administrative Department of Security began preliminary investigations with the cooperation of an official from the Attorney General's Office. This official authorized the raid and capture of two people who could be involved in drafting the plan.

The people, who are being held under arrest, have rendered testimony and have been turned over to the courts. In addition, measures have been taken to reinforce the security of the justice minister and his family. Investigation and intelligence duties under the guidance of judicial authorities are also taking place.

Since there are clear norms in the Colombian legal system regarding revelations of investigations, we believe greater details will only be given when the investigation is concluded.

Rebels Release Kidnapped Officials, Policemen

PA3107153892 Santa Fe de Bogota Emisoras Caracol Network in Spanish 1200 GMT 31 Jul 92

[Text] The three Cesar Province leaders released by the Army of National Liberation Camilo Torres Front said on 31 July that the 60 days they had spent as hostages were a difficult and sad experience. They were released on 31 July with 10 policemen.

Former Congressman Alvaro Campos said that he favors regional peace talks. He said the subversive group operating in that part of the country is a strong organization with a sound political and military formation.

Meanwhile, Councilman Alvaro Jose Soto said that, although they had been treated well, it was a sad and bitter experience.

Deputy Jose Calixto Mejia said the 60 days were full of tension and worry.

'Text' of Extraordinary Decree 1156 Published

PA3107125792 Santa Fe de Bogota EL TIEMPO in Spanish 25 Jul 92 p 9a

["Text" of "Extraordinary Decree" 1156 issued in Santa Fe de Bogota on 10 July 1992]

[Text] Article 1—Adopt as permanent legislation the following articles under Decree 1156 of 1992:

"Article 1—Regarding crimes regional judges deal with, special and specific procedural norms will be applied in line with temporary Article 5 of Decree 2700 of 1991 and the disposition of this decree.

"Article 2—Freedom on bail is viable only in some cases, in line with Article 59 of Decree 2790 of 1990, which was modified by Decree 99 of 1991 and adopted as a permanent law by virtue of Decree 2271 of 1991. In the cases it is viable, it can become effective only when the authorizing decree is in effect.

"Article 3—When reasons exist for the application of the release on bail procedure, habeas corpus does not apply to crimes that are to be tried by regional judges or the National Court. These reasons must be submitted in the framework of the case. In addition, habeas corpus does not apply in the investigation of the legality of the evidence that led to the incarceration.

"Article 4—When referring to crimes envisaged under Article 59 of Decree 2790 of 1990, Article 415 of the Penal Procedural Code becomes effective once the terms dealing with temporary Article 2 of the Penal Procedural Code expire."

Article 2 [number as published]—This law becomes effective on the date of publication.

Peru

Military Leaders Meet To Discuss Trafficking

PA0308044392 Madrid EFE in Spanish 0324 GMT 3 Aug 92

[Text] Lima, 2 Aug (EFE)—The Lima newspaper EXPRESO reported on 3 August that high-level Peruvian Armed Forces commanders are meeting in the Alto Huallaga coca producing area to coordinate a joint strategy to curb increasing drug trafficking in the area.

EXPRESO reports that the Army and police commanders met 2 August at the Santa Lucia narcotics base in Alto Huallaga. Defense Minister General Victor Malca chaired the meeting. The officials also discussed possible conflicts that might arise with the peasants who grow coca.

The newspaper claims that problems may arise because the government has suspended the program to substitute other crops for coca.

There are about 1 million peasants on more than 250,000 hectares of jungle land growing coca leaves, the raw material for making cocaine.

The newspaper adds that, at the meeting, which it labels as "unexpected" and "emergency," the officials also discussed reinforcing surveillance along the Colombian border to prevent Colombian drug trafficker Pablo Escobar and members of his "cartel" from entering Peru.

EXPRESO indicated that the security forces high command had analyzed a project aimed at unifying under a single command all the sectors linked in the struggle against drug trafficking. They also discussed issues related to a radical offensive against drug trafficking.

Likewise, according to the newspaper, they discussed coordinating efforts between the Armed Forces and the Colombian police to attack drugs and weapons shipments passing through the bordering Colombian community of Leticia.

On 2 August, newspaper sources were speculating on whether or not Peruvian President Alberto Fujimori had traveled to Santa Lucia to participate in the meeting.

At the Peruvian Presidency Press Secretariat it was announced that Fujimori had left Lima to attend a private family affair, without specifying where the president had gone.

Shining Path Dealt 'Hard Blows'; 19 Arrested

PA0108034192 Lima Global de Television Network in Spanish 0100 GMT 1 Aug 92

[Text] The government's relentless struggle against the subversives has resulted in a severe crackdown on Shining Path. The Counterterrorism National Directorate [Dincote] presented to the press on 31 July, 14 of the 19 seditious individuals who were captured during Shining Path's attempt to paralyze the capital in its reign of terror. Several of these individuals are accused of perpetrating a number of criminal actions, including the attack on the U.S. Embassy and on the police garrison in Villa El Salvador, as well as the murder of former Labor Minister Orestes Rodriguez Pastor.

The so-called armed strike Shining Path terrorists attempted to impose through violence presented authorities with an opportunity to deliver hard blows to the diverse commands of that organization. Through painstaking intelligence work, Dincote was able to arrest Guillermo Porras Hurtado, 22, alias Comrade Cesar; Francisco Melendez Gavilan, 23, alias Comrade Adrian; and Emilio Gamboa Espinosa, 19, alias Emilio; all members of the People's Aid organization in the southern zone who are responsible for blowing up energy towers, attacking several trucks, and harassing the Villa Maria del Triunfo police post. Explosive devices, weapons, subversive literature, and 20 sketches of targets for attacks in the southern sector were confiscated from those individuals on 22 July.

On 23 July, Abraham Valderrama, 18, alias Comrade Abraham; Cesar Castillo Macedo, 21; and Henry Villanueva Rosales, 18, were captured while attempting to escape after setting fire to a taxi on the second day of the so-called armed strike. Explosives and weapons were confiscated from those individuals, who were accused of being responsible for or accomplices to the following crimes: the murder of four soldiers posted at door No. 6 at the Engineering University, the last car bomb terrorist attack on the Villa El Salvador police post, and the destruction of a toll booth in Conchan at the 25 km marker on the southern Pan American Highway.

Members of the dismantled 18th Detachment of the People's Aid organization in the northern zone were also presented to the press. They are: Gustavo Ingunza Galvez, 24, Comrade Tony; Carlos Alberto Jorge Garay, 20, Comrade Pedro; and Marilu Cuellar Bernardo, 21, who on 23 June carried out various attacks and murders and engaged in propaganda activities. Those individuals murdered three noncommissioned police officers in [word indistinct] and financially ruined humble taxi drivers who went to work on the second day of the armed strike.

In addition to these heavy blows to Shining Path—perhaps the most severe since the organization's logistical apparatus was dismantled—the special forces of the so-called People's Guerrilla Army was broken up. That group is identified with the Movement of People's Artists led by Juan Carlos Isera Salazar, alias Comrade Hector; [?Miguel Angel Haset de Farfan], alias Elias; Antonio Osorio Bejarano, [name indistinct]; Elias Soto Ochoa, alias Martin; Teodoro Iseras; Miguel Angel Blas y Casoto; Nelson Ochoa Rengifo; Jorge Raul Espinosa; and Elias Delgado Soto. Those persons were dedicated to recruiting followers from theater, poet, dance, and craft circles. They are accused of numerous attacks in the capital, including the attacks on Nissam, Renasa, Hogar, Monterrey, Capeco, the government palace, and the U.S. Embassy. They are also accused of murdering Armed Forces Commander Artemio Collado Gomez and former Minister Orestes Rodriguez Campos. An arsenal of mortars was seized from this group, as well as part of the munitions shown here.

JNE Issues List of Deadlines for Elections

PA3107124892 Lima Global de Television Network in Spanish 0100 GMT 31 Jul 92

[Text] Despite the announcements made on 28 July confirming that elections for Democratic Constituent Congress [CCD] delegates and new mayors will be held, the National Election Board [JNE] has not issued any further information. Its president, Cesar Polack Romero, waited in vain for a call from Economy and Finance Minister Carlos Bolona to discuss the immediate transfer of 19 million nuevos soles necessary for the

November elections. President Alberto Fujimori summoned Bolana to the Palace of Government to discuss the amount of the increase the Economy and Finance Ministry is considering giving state employees.

In view of the impatience of the reporters to get a statement, the JNE issued a timetable after noon on 30 July. The timetable lists the deadlines to register candidates to the CCD: the date to select candidates to the CCD, 17 July 1992; date to open the period to register candidates, 24 August or 90 days before the elections; date to close registrations, 8 October, or 45 days before the elections; date of the elections, 22 November 1992; date of the installation of the CCD, 2 January 1993.

Venezuela

Perez on Summit, 'Anachronism' of Cuba Blockade

LD0308113192 Madrid RNE-1 Radio Network in Spanish 0600 GMT 3 Aug 92

[Report by Jose Manuel Martin Meden on "exclusive" interview with Venezuelan President Carlos Andres Perez; includes recorded excerpts of Perez' remarks; date, place not given]

[Text] [Meden] Carlos Andres Perez says that he was unable to come to the Ibero-American conference in Madrid because of the problems with the opposition and with his own party and not because democratic stability is threatened in Venezuela. He also says that he hopes that constitutional reform will eliminate the article imposing Senate authorization for the president to be able to leave the country.

[Perez] The parties adopted a very parochial attitude in opposing my leaving the country. Firstly because this was not a visit being paid by the president because he thought it desirable to go to Spain but an engagement of the Venezuelan state, and secondly because there was absolutely no reason making it desirable or prudent for me to remain in the country. Unfortunately these are the problems of political life. The parties saw an opportunity to say something tough to the president of the Republic, who has an important leadership in the country, and they did not miss the opportunity to do so. And it is really an anachronism for that article requiring authorisation for the president to leave the country to exist on the Venezuelan constitution. And I would welcome its removal from the constitutional.

[Meden] To resolve the situation in Cuba Venezuelan President Carlos Andres Perez proposes that simultaneously the United States should lift the blockade and Fidel Castro should initiate changes in the island.

[Perez] The cold war has ended in the world and has continued in America, because the attitude of the United States toward Cuba and the maintenance of the blockade is an anachronism, just as it is an anachronism on the part of the Cuban government to maintain the same attitudes which it maintained during the time of the cold war, of which it was part. But we have a situation which is frozen: neither does Cuba wish to take a step forward in its inevitable transformations in the new world situation nor does the United States wish to take the step which we all hope for from them, to end the blockade.

[Meden] According to Carlos Andres Perez, the Organization of American States must have agreements and also resources to protect the democracies in Latin America and he thinks that in Haiti it was not possible to stop the military putchists because of the democratic disloyalty of the EC.

[Perez] We have not had enough strength because the EEC has committed the serious mistake—and also, I would say, even a major democratic disloyalty—in not giving effective support to the embargo. It has been ships from the EEC which have brought oil to Haiti and prevented the overthrowing of the Haitian dictatorship. But we also trust that with Spain and Portugal in the first place and also with France and with Italy—with the Latin countries of Europe—we might succeed in getting the Community to adopt a stance more consistent with what they want for their countries and that they will express a more active solidarity with the struggles for democracy in Latin America.

President Perez on Future of Petroleum Industry

PA0108131292 Caracas Venezolana de Television Network in Spanish 0000 GMT 1 Aug 92

[Excerpts] President of the Republic Carlos Andres Perez believes the national petroleum industry must open up to foreign capital to guarantee its development and take full advantage of new technologies.

The president stated this during the ceremony marking the signing of the first two contracts signed with foreign companies to reactivate the oil wells that are abandoned in Guarico State and south of Monagas State.

With this warning the president ratified the need to incorporate technology and investments from the most advanced transnational petroleum companies in the world into the national petroleum industry, without it meaning the denationalization of industrial exploitation and trade of Venezuelan petroleum.

[Begin recording] [Perez] Furthermore, the presence of foreign enterprises is also a guarantee for opening markets abroad for such an internationalized product as petroleum. [passage omitted]

This is done within an overall plan, because this policy is an essential part of the opening we have announced and which we are carrying out in all fields of the Venezuelan economy with strict adherence to our commitments. [passage omitted]

The state ownership of enterprises is not a part of our program or of the future agenda for the development of Venezuela.

[Celestino Armas, Secretariat of the Presidency minister, identified by caption] These two agreements represent a very intense work program, which includes the perforation of approximately 300 new oil wells and the reactivation of approximately 70 existing wells over a 10-year period.

All this will be fulfilled through investments to the tune of $280 million, of which approximately $80 million will be disbursed and used during the first three years.

[Gustavo Roosen, president of Petroven, Venezuelan Petroleum, identified by caption] As established by law, the contractors—international companies, some of them in association with national enterprises—will make the investment and carry out the corresponding projects, however, the petroleum will always remain in the hands of Petroven and the Venezuelan State.

It is expected these two agreements will help us achieve a production of approximately 20,000 or 30,000 barrels per day, which as you know will be delivered to the nationalized petroleum industry in exchange for the price of their effort and sold as part of Petroven's production.

It will also generate technology and experiences that will be exchanged, which will favor our effort to remain up-to-date in the hydrocarbons industry. [end recording]

It is expected the production of these fields could reach 30,000 barrels per day, which will be traded by Petroven.